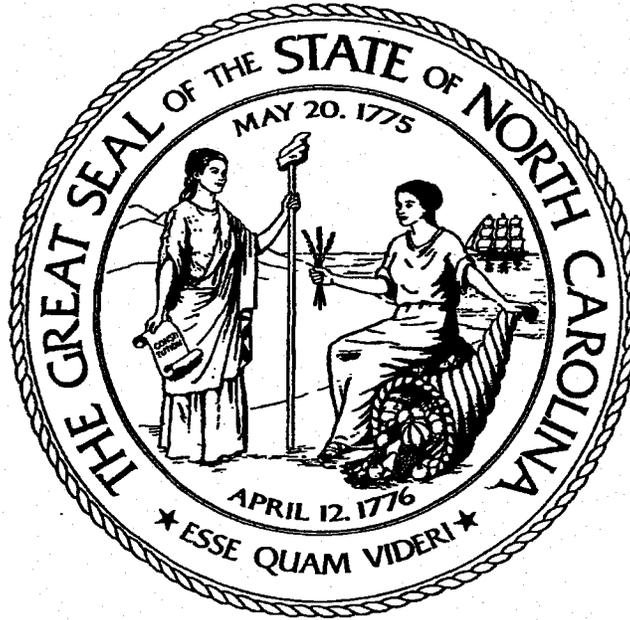


JOINT LEGISLATIVE COMMISSION

ON MUNICIPAL INCORPORATIONS



REPORT TO THE

GENERAL ASSEMBLY

OF NORTH CAROLINA

Proposed Town of Swannanoa

June 17, 2009

REPORT TO THE GENERAL ASSEMBLY

Proposed Incorporation of the Town of Swannanoa June 17, 2009

The Joint Legislative Commission on Municipal Incorporations was created in 1986 by the General Assembly to conduct an independent review and evaluation of proposed municipal incorporations. This evaluation, to be conducted in accordance with a statutory set of objective criteria, is designed to allow the General Assembly to see the feasibility of the proposed new municipality. The Commission consists of four members of the General Assembly, one city official, and one county official. A list of members appears as Appendix A.

The statutory criteria require a review of community support, (a petition is required) population, land development, nearness to other urban areas, and ability to provide municipal services at a reasonable tax rate. A copy of the statutes authorizing the Commission and setting up the review standards is attached as Appendix B.

The Commission received a petition proposing the incorporation of the Town of Swannanoa in Buncombe County on July 31, 2008. A copy of the petition is attached as Appendix C.

The Commission, pursuant to G.S. 120-161, asked the Division of Community Assistance of the Department of Commerce to evaluate the petition. The Division conducted the evaluation and, based upon its report, the Commission found that the requirements of G.S. 120-163 and G.S. 120-164 had been met (a copy of the report is attached as Appendix D).

The Commission also requested that the Division of Community Assistance evaluate the proposed Town's petition for incorporation under G.S. 120-166 (a copy of the report is attached as Appendix E). The Division conducted the evaluation and determined that because the Town of Black Mountain and the City of Asheville are located within 1 and 5 miles of the boundaries of the proposed Town respectively and have a population of 7,511 and 68,889 respectively, the proposed Town must obtain a resolution from the Town of Black Mountain and the City of Asheville expressly approving the incorporation of the proposed Town. The proposed Town has obtained resolutions expressly approving incorporation from both the Town of Black Mountain and the City of Asheville, and therefore the requirements of G.S. 120-166 have been met.

The Commission further requested that the Division of Community Assistance evaluate the proposed Town's petition under G.S. 120-167 through

G.S. 120-170 (a copy of the report is attached as Appendix F). The Division conducted the evaluation and determined that all statutory requirements had been met.

Pursuant to G.S. 120-169.1, the Commission requested that the Fiscal Research Division provide data that shows the impact on other municipalities and counties of the diversion of already levied taxes or State-shared revenues to support services in the proposed Town of Swannanoa (a copy of the report is attached as Appendix G). The data provided by the Division (based upon figures from 2007-2008) shows that sales tax revenues in Buncombe County are distributed on an ad valorem basis. If the proposed Town of Swannanoa had been incorporated at that time, it would have received approximately \$512,422 in sales tax revenues. The incorporation of Swannanoa would have a marginal impact on the distribution of Powell Bill funds in the State and Buncombe County. If incorporated in the 2007-2008 fiscal year, the proposed Town of Swannanoa would have received an estimate of \$1,343,000 in total revenue, including Powell Bill funds, from State-shared revenue as long as the proposed Town had met the statutory requirements to receive these funds.

The Commission finds that the proposed Town of Swannanoa does meet the standards required by Article 20 of Chapter 120 of the General Statutes, and therefore the Commission does recommend incorporation of the area as the Town of Swannanoa.

APPENDIX A

**JOINT LEGISLATIVE COMMISSION ON
MUNICIPAL INCORPORATIONS
2008-2010
Membership**

President Pro Tem's Appointments

Senator Fletcher Hartsell
P. O. Box 368
Concord, NC 28026-0368

Senator Charlie Dannelly
Room 2010, LB
(919) 733-5955
Dee Hodge, Legislative Assistant

Mr. Steven Raper
P. O. Box 1180
Rocky Mount, NC 27802-1180
(252) 972-1325

Staff

Gayle L. Moses, Staff Attorney
Bill Drafting Division

Oliver Bass
Dept of Commerce, Division of
Community Assistance
733-2853

Lee Nichols
Dept of Commerce, Division of
Community Assistance
733-2853

Speaker's Appointments

Representative Becky Carney
P. O. Box 32873
Charlotte, NC 28232

Representative William Wainwright
P. O. Box 941
Havelock, NC 28532

Mr. Mike Cross
Chatham County Commissioner
388 Cross Point Road
New Hill, NC 27562

Commission Assistant

Delta Prince
2125 Legislature Building
Raleigh, NC
919-733-5649

APPENDIX B

Article 20.

Joint Legislative Commission on Municipal Incorporations.

Part 1. Organization. -

§ 120-158. Creation of Commission.

(a) There is created the Joint Legislative Commission on Municipal Incorporations, referred to in this Article as "Commission".

(b) The Commission shall consist of six members, appointed as follows:

- (1) Two Senators appointed by the President Pro Tempore of the Senate;
- (2) Two House members appointed by the Speaker;
- (3) One city manager or elected city official, appointed by the President Pro Tempore of the Senate from a list of three eligible persons nominated by the North Carolina League of Municipalities; and
- (4) One county commissioner or county manager, appointed by the Speaker from a list of three eligible persons nominated by the North Carolina Association of County Commissioners. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1991, c. 739, s. 17.)

§ 120-159. Terms.

Members shall be appointed for terms ending June 30, 1987, and subsequently for two-year terms beginning July 1, 1987, and biennially thereafter. A member eligible when appointed may continue for the remainder of the term regardless of the member's continued eligibility for the category. The Commission shall elect a chairman from its membership for a one-year term. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-160. Compensation.

Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-161. Facilities and staff.

The Commission may meet in the Legislative Building or the Legislative Office Building. Staff for the Commission shall be provided by the Legislative Services Commission. The Commission may contract with the Institute of Government, the Local Government Commission, the Department of Environment and Natural Resources, or other agencies as may be necessary in completing any required studies, within the funds appropriated to the Commission. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1989, c. 727, s. 218(82); 1997-443, s. 11A.119(a).)

§ 120-162. Reserved for future codification purposes.

Part 2. Procedure for Incorporation Review.

§ 120-163. Petition.

(a) The process of seeking the recommendation of the Commission is commenced by filing with the Commission a petition signed by fifteen percent (15%) of the registered voters of the area proposed to be incorporated, but by not less than 25 registered voters of that area, asking for incorporation. The voter shall sign the petition and also clearly print that voter's name adjacent to the signature. The petition must also contain the voter's residence address and date of birth.

(b) The petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt. That period of 15 working days shall be tolled for any period of time that is also either two weeks before or one week after a primary or election being conducted by the county board of elections.

(c) The petition must include a proposed name for the city, a map of the city, a list of proposed services to be provided by the proposed municipality, the names of three persons to serve as interim governing board, a proposed charter, a statement of the estimated population, assessed valuation, degree of development, population density, and recommendations as to the form of government and manner of election. The petition must contain a statement that the proposed municipality will have a budget ordinance with an ad valorem tax levy of at least five cents (5¢) on the one hundred dollar (\$100.00) valuation upon all taxable property within its corporate limits. The petition must contain a statement that the proposed municipality will offer four of the following services no later than the first day of the third fiscal year following the effective date of the incorporation: (i) police protection; (ii) fire protection; (iii) solid waste collection or disposal; (iv) water distribution; (v) street maintenance; (vi) street construction or right-of-way acquisition; (vii) street lighting; and (viii) zoning. In order to qualify for providing police protection, the proposed municipality must propose either to provide police service or to have services provided by contract with a county or another municipality that proposes that the other government be compensated for providing supplemental protection. The proposed municipality may not contain any noncontiguous areas.

(d) The petitioners must present to the Commission the verified petition from the county board of elections.

(e) A petition must be submitted to the Commission at least 60 days prior to convening of the next regular session of the General Assembly in order for the Commission to make a recommendation to that session. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 1; 2001-353, s. 6.)

§ 120-164. Notification.

(a) Not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) ~~The board or boards of county commissioners of the county or counties where the proposed municipality is located;~~
- (2) ~~All cities within that county or counties; and~~
- (3) ~~All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.~~

(b) The petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-165. Initial inquiry.

(a) The Commission shall, upon receipt of the petition, determine if the requirements of G.S. 120-163 and G.S. 120-164 have been met. If it determines that those requirements have not been met, it shall return the petition to the petitioners. The Commission shall also publish in the North Carolina Register notice that it has received the petition.

(b) If it determines that those requirements have been met, it shall conduct further inquiry as provided by this Part. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. For purposes of this section, "municipality" means a city as defined by G.S. 160A-1(2) or a county that has exercised its authority under Article 24 of Chapter 153A of the General Statutes.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subsection (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved. (1985

(Reg. Sess., 1986), c. 1003, s. 1; 1989 (Reg. Sess., 1990), c. 1024, s. 25; 1998-150, s. 2; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b); 2005-35, s. 2.)

§ 120-167. Additional criteria; population.

The Commission may not make a positive recommendation unless the proposed municipality has a permanent population of at least 100 and a population density (either permanent or seasonal) of at least 250 persons per square mile. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 2.)

§ 120-168. Additional criteria; development.

The Commission may not make a positive recommendation unless forty percent (40%) of the area is developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 3.)

§ 120-169. Additional criteria; area unincorporated.

The Commission may not make a positive recommendation if any of the proposed municipality is included within the boundary of another incorporated municipality, as defined by G.S. 153A-1(1), or if any of the proposed municipality is included within the boundary of a county that has exercised its authority under Article 24 of Chapter 153A of the General Statutes. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 2005-35, s. 3.)

§ 120-169.1. Additional criteria; level of development, services; financial impact on other local governments.

(a) Repealed by Session Laws 1999-458, s. 4.

(b) Services. – The Commission may not make a positive recommendation unless the area to be incorporated submits a plan for providing a reasonable level of municipal services. This plan shall be based on the proposed services stated in the petition under G.S. 120-163(c).

(c) The Commission in its report shall indicate the impact on other municipalities and counties of diversion of already levied local taxes or State-shared revenues from existing local governments to support services in the proposed municipality. (1998-150, s. 3; 1999-458, s. 4.)

§ 120-170. Findings as to services.

The Commission may not make a positive recommendation unless it finds that the proposed municipality can provide at a reasonable tax rate the services requested by the petition, and finds that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. In making findings under this section, the Commission shall take into account municipal services already being provided. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-171. Procedures if findings made.

(a) If the Commission finds that it may not make a positive recommendation because of the provisions of G.S. 120-166 through G.S. 120-170, it shall make a negative recommendation to the General Assembly. The report to the General Assembly shall list the grounds on which a negative recommendation is made, along with specific findings.

If a negative recommendation is made, the Commission shall notify the petitioners of the need for a legally sufficient description of the proposed municipality if the proposal is to be considered by the General Assembly. At the request of a majority of the members of the interim board named in the petition, the Commission may conduct a public hearing and forward any comments or findings made as a result of that hearing along with the negative recommendation.

(b) If the Commission determines that it will not be barred from making a positive recommendation by G.S. 120-166 through G.S. 120-170, it shall require that petitioners have a legally sufficient description of the proposed municipality prepared at their expense as a condition of a positive recommendation.

(c) If the Commission determines that it is not barred from making a positive recommendation, it shall make a positive recommendation to the General Assembly for incorporation.

(d) The report of the Commission on a petition shall be in a form determined by the Commission to be useful to the General Assembly. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-172. Referendum.

Based on information received at the public hearing, the Commission may recommend that any incorporation act passed by the General Assembly shall be submitted to a referendum, except if the petition contained the signatures of fifty percent (50%) of registered voters the Commission shall not recommend a referendum. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-173. Modification of petition.

With the agreement of the majority of the persons designated by the petition as an interim governing board, the Commission may submit to the General Assembly recommendations based on deletion of areas from the petition, as long as there are no noncontiguous areas. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-174. Deadline for recommendations.

If the petition is timely received under G.S. 120-163(e), the Commission shall make its recommendation to the General Assembly no later than 60 days after convening of the next regular session after submission of the petition. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§§ 120-175 through 120-179. Reserved for future codification purposes.

Proposed
A

CHARTER OF THE TOWN OF SWANNANOA.

ARTICLE I. INCORPORATION AND CORPORATE POWERS.

Section 1.1. **Incorporation and Corporate Powers.** The inhabitants of the Town of Swannanoa are a body corporate and politic under the name 'Town of Swannanoa'. Under that name, they shall have all the powers, duties, rights, privileges, and immunities conferred and imposed on cities by the general law of North Carolina.

ARTICLE II. CORPORATE BOUNDARIES.

Section 2.1. **Town Boundaries.** Until modified in accordance with the law, the boundaries of the Town of Swannanoa are as follows:

TRACT 1

Begin at point (1) the center of US Route 70 at the southeast corner of the property now or formerly owned by Avery and Mattie Wilson; thence southeasterly along the existing East Buncombe Fire District boundary to point (2) the northeast corner of property now or formerly owned by Jim J. Jones Et al as recorded in deed book 1362 page 756 (0609-18-30-0577); thence continue southeasterly along said East Buncombe Fire district boundary to point (3) the northeast corner of property now or formerly owned by W.D. Weatherford as recorded in deed book 199 page 14 (0608-00-43-1722); thence southerly to point (4) the intersection of Black Mountain, Broad River, and Fairview township; thence westerly to point (5) along the township boundary between Swannanoa and Fairview township, said course is along the Fairview Fire district boundary this point is further described as being the intersection of Swannanoa, Biltmore and Fairview townships and the northeast corner of property now or formerly owned by Henry H. and Lee M. White as recorded in deed book 1212 page 376 (9677-03-14-8791); thence northerly along the Reynolds Fire district boundary to point (6) the center of US Route 70 at the southeast corner of property now or formerly owned by Annie Wilson Heirs as recorded in deed book 597 page 56 (9678-09-26-0360); thence southeasterly, northeasterly, and northwesterly along the existing Swannanoa Fire district boundary to the point of the beginning.

TRACT 2

Begin at point (1) the southeast corner of property now or formerly owned by Ben R. and Grace B. Brigman as recorded in deed book 1038 page 343 (9678-09-16-3891); thence westerly along Reynolds Fire district to point (2) the center of Moffitt Road; said point is further described as being 640 feet south of the southwest corner of property now or formerly owned by Larry W. and Robin O. Brooks as recorded in deed book 1618 page 280 (9668-12-97-7480); said point is also the intersection of Swannanoa, Reynolds and Riceville Fire districts; thence northeasterly along Riceville Fire district boundary to point (3) the center of Warren Wilson Road; said point is 200 feet southeasterly from the intersection of Warren Wilson Road and

College View Lane; thence southwesterly along the existing Swannanoa Fire district to the point of beginning.

TRACT 3

Begin at point (1) the Blue Ridge Parkway at Pinnacle Gap; thence southerly along the East Buncombe Fire district boundary to point (2) the northwest corner of property now or formerly owned by B.V.Hendrick Gravel & Sand Co. as recorded in deed book 1217 page 567 (9791-04-800-7122); thence continue southerly along said fire district boundary and the township boundary between Swannanoa and Black Mountain to point (3) the intersection of the existing district to point (4) the southeast corner of property now or formerly owned by Roy Armstrong as recorded in deed book 092E page 1567 (9679-07-69-0596); thence northerly along Riceville Fire district to point (5) the northeast corner of property now or formerly owned by William B. and Denise D. Palas as recorded in deed book 1597 page 683 (9770-02-79-8922); thence northerly to point (6) the center of the Blue Ridge Parkway near High Knob; said point is known by coordinate value E-977, 925 N 715, 890 of the North Carolina State Plan Coordinate System 1927 Datum; thence in a generally northeasterly direction along said Blue Ridge Parkway to the point of beginning.

Also included are the following tracts located in the Western Area of the above described property:

Deed Book 4482, Page 460, Kenneth R. Patton and wife, Kathy B. Patton
Deed Book 4398, Page 165, Allen Thomas and wife, Janet Thomas
Deed Book 4271, Page 726, Allen Thomas and wife, Janet Thomas
Deed Book 2843, Page 843, Roberta M. McKenzie and husband, Walter McKenzie
Deed Book 878, Page 127, Sky View Memorial Park, Inc.
Deed Book 4489, Page 107, The Thelma W. King, Trustee of the Revocable Trust
Deed Book 786, Page 377, G. H. Harris and wife, Myrtle Harris
Deed Book 827, Page 330, William Boyd Brigman and wife, Gladys R. Brigman
Deed Book 1132, Page 408, Dennis B. Brigman and wife, Debra P. Brigman
Deed Book 4407, Page 539, Ray Alvin Thomas and wife, Mary B. Thomas

LESS AND EXCEPT THE FOLLOWING FROM ALL OF THE ABOVE PROPERTY:

1. The Northwestern portion of the Swannanoa Fire District, which portion is Federal property;
2. The Northeastern portion of the Swannanoa Fire District, which portion belongs to and is part of the Asheville Watershed;
3. Those two smaller portions located along the western portion of the Swannanoa Fire District property which said parts are serviced by the Riceville Fire District;

4. That Southwestern portion of the Swannanoa Fire District property which portion is part of the Billy Graham Training Center property;
5. That small portion located in the Southeastern portion of the Swannanoa Fire District property, said portion being located east of Rogers Lane and lies within and to the north of the right of way margin of Dillingham Panoview Road.
6. The Main Campus of Warren Wilson College.
7. Due to service issues, the following tracts located in the Western area of the above describe tracts are eliminated and are described in:
 - Deed Book 4179, Page 1348, James Luther Fender and wife, Margaret G. Fender
 - Deed Book 4179, Page 1344, Faye Fender Allison
 - Deed Book 1133, Page 305, Paul E. Allison and wife, Faye F. Allison
 - Deed Book 1108, Page 592, Charles J. Crawford and wife, Billie F. Crawford
 - Deed Book 4179, Page 1336, Charles J. Crawford and wife, Billie F. Crawford
 - Deed Book 1948, Page 556, James Luther Fender and wife, Margaret G. Fender
 - Deed Book 1196, Page 532, Donald Branson and wife, Lois Branson
 - Deed Book 1830, Page 790, Robert Shannon Emery
 - Deed Book 1934, Page 158, Larry W. Brooks and wife, Robin Brooks
 - Deed Book 800, Page 594, Peggy Stevens and husband, Charles D. Stevens
 - Deed Book 3941, Page 382, Robert Roland and wife, Patsy B. Roland
 - Deed Book 1815, Page 571, Kathy J. Burleson
 - Deed Book 995, 101, Leona Ingle McCoyle
 - Deed Book 4076, Page 362, Althea L. Matthews
 - Deed Book 2661, Page 788, Timmy Penley and wife, Tammy Penley
 - Deed Book 2062, Page 189, Timmy Penley and wife, Tammy Penley
 - Deed Book 3728, Page 428, Lisa Wiggin Carver
 - Deed Book 3782, Page 416, Alex Williams and wife, Heather Williams
 - Deed Book 2544, Page 826, David K. Dockery and wife, Patricia P. Dockery
 - Deed Book 4196, Page 1343, Thomas Wolfe, III
 - Deed Book 749, Page 592, Margaret Brooks
8. Due to service issues, the following tracts located in the Northwestern area of the above describe tracts are eliminated and are described in:
 - Deed Book 4194, Page 172, William G. Heck and wife, Paulette Heck
 - Deed Book 4260, Page 738, Harold Bassett and wife, Andrea Bassett
 - Deed Book 1547, Page 501, David P. Creasman and wife, Debra P. Creasman
 - Deed Book 2067, Page 101, Patricia J. Parker and Jonathan Carter Davidson
 - Deed Book 1354, Page 198, Archie Lee Lunsford and wife, Elizabeth Lunsford and Jeffrey B. Lunsford
 - Deed Book 1693, Page 294, Jeffrey Stroupe and wife, Mimi A. Stroupe
 - Deed Book 3711, Page 105, Jeffrey Stroupe
 - Deed Book 1941, Page 152, Alan Leonard Stroupe

Deed Book 1651, Page 753, Alan L. Stroupe
Deed Book 3873, Page 516, Alan Stroupe
Deed Book 3718, Page 619, Mimi Stroupe

ARTICLE III. GOVERNING BODY.

Section 3.1. **Structure of Governing Body; Number of Members.** The governing body of the Town of Swannanoa is the Town Council, which shall have five (5) members and the Mayor.

Section 3.2. **Temporary Officers.** Until the organizational meeting after the initial election in 2009 provided for by Section 4.1 of this Charter, David Alexander, Geoffrey Bullock, Carol Groben, Jane Hansel, Ron Hillabrand, Linda Kinney, and Mike Tolley are appointed members of the Town Council of the Town of Swannanoa, and they shall possess and exercise the powers granted to the governing body until their successors are elected or appointed and qualified pursuant to this Charter. The number of temporary officers shall be at least six (6). If any persons named in this section are unable to serve and the result is less than six temporary officers, the remaining temporary officers shall, by majority vote, appoint a person to serve until the initial municipal election is held in 2009.

Section 3.3. **Manner of Electing Town Council; Terms of Office.** The qualified voters of the entire Town elect the members of the Town Council. Town Council members are elected to four-year staggered terms. Five Council members shall be elected in the initial election in 2009, and the three candidates for Town Council who receive the largest numbers of votes shall be elected for terms of four years, and the two candidates for Town Council who receive the next largest numbers of votes shall be elected for terms of two years. In the regular municipal election in 2011 and every four years thereafter, two members of the Council shall be elected. In the regular municipal election in 2013 and every four years thereafter, three members of the Council shall be elected.

Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** The qualified voters of the entire Town elect the Mayor. In the regular election in 2009 and biennially thereafter, there shall be elected a Mayor for a term of two years. The Mayor shall be the official head of Town government and shall preside at all meetings of the Town Council. The Mayor shall exercise such powers and duties as are or may be conferred by the general laws of North Carolina, by this Charter and by the Town Council. The Mayor shall have the right to vote on matters before the Town Council only when there are equal numbers of votes in the affirmative and in the negative.

Section 3.5. **Mayor Pro Tempore.** In accordance with applicable State laws, the Town Council shall choose one of its number to act as Mayor Pro Tempore, and this person shall perform the duties of the Mayor in the Mayor's absence or disability. The Mayor Pro Tempore as such shall have no fixed term of office, but shall serve in such capacity at the pleasure of the remaining members of the Town Council.

Sec. 3.6. Meetings of the Town Council. In accordance with the General Statutes of North Carolina, the Town Council shall establish a suitable time and place for its regular meetings. Special meetings may be held according to the applicable provisions of the General Statutes. Any business may be transacted at a special meeting that might be transacted at a regular meeting.

Sec. 3.7. Voting and Quorum Requirements. Official action of the Town Council shall in every instance be by majority vote, provided that a quorum, consisting of a majority of the actual membership of the Town Council is present. Vacant seats are to be subtracted from the normal Town Council membership to determine the actual membership.

Section 3.8. Vacancies; Qualifications.

(a) Except for the initial terms of office hereinbefore specified, the Mayor shall serve for terms of two years and the members of the Town Council shall serve for terms of four (4) years, beginning the day and hour of the organizational meeting following their election, as established by ordinance in accordance with this Charter; provided, they shall serve until their successors are elected and qualify.

(b) No persons shall be eligible to be a candidate or be elected as Mayor or as a member of the Town Council, or to serve in such capacity, unless they are a resident and a qualified voter of the Town.

(c) If any elected Mayor or Council Member shall refuse to qualify, or if there shall be any vacancy in the office of Mayor or Council Member after election and qualification, the remaining members of the Town Council shall by majority vote appoint some qualified person to serve for the unexpired term. Any Mayor or Council Member so appointed shall have the same authority and powers as if regularly elected.

"ARTICLE IV. ELECTIONS.

Section 4.1. Conduct of Town Elections. Regular municipal elections shall be held in the Town every two years in odd-numbered years and shall be conducted in accordance with the uniform municipal election laws of North Carolina. The Mayor and members of the Town Council shall be elected according to the nonpartisan plurality method of elections. Municipal elections shall be conducted by the Buncombe County Board of Elections.

ARTICLE V. ADMINISTRATION.

Section 5.1 Town to Operate Under Council-Manager Plan. The Town shall operate under the Council-Manager form of government as provided in Part 2 of Article 7 of Chapter 160A of the General Statutes.

Section 5.2. Town Manager. The Town Council shall appoint a Town Manager who is responsible for the administration of all departments of the Town government. The Town Manager has all the powers and duties conferred by general law, except as

expressly limited by the provisions of this Charter. As chief administrator of the Town, the Town Manager shall have the power to appoint, suspend, and remove all Town officers, department heads, and employees, except the Town Attorney, Town Clerk, and any other official whose appointment or removal is vested in the Town Council by this Charter or by general law. Neither the Town Council nor any of its members shall take part in the appointment or removal of officers or employees in the administrative service of the Town of Swannanoa, except as provided by this Charter.

Section 5.3. Town Clerk. The Town Council shall appoint a Town Clerk to perform the duties required by law and as the Town Council may direct.

Section 5.4. Tax Collector. The Town Council shall appoint a Tax Collector to collect all taxes, licenses, fees and other monies belonging to the town, and to perform the duties required by law and as the Town Council may direct.

Section 5.5. Town Attorney. The Town Council shall appoint a Town Attorney licensed to practice law in North Carolina. The Town Attorney represents the Town, advises Town officials and performs other duties required by law and as the Town Council may direct.

Section 5.6. Town Accountant. The Town Council shall appoint a Town Accountant to perform the duties provided by law and other appropriate duties.

Section 5.7. Consolidation of Functions. Where positions are not incompatible, the Town Council may combine in one person the powers and duties of two or more officers created or authorized by this Charter.

Section 5.8. Other Officers and Employees. The Town Council may authorize other offices and positions and appoint persons to fill the offices and positions, or the Council may authorize the offices and positions to be filled by appointment by the Town Manager. The Town Council may organize the Town government as deemed appropriate, subject to the requirements of general law.

ARTICLE VI. TAXES AND BUDGET ORDINANCE.

Section 6.1. Commencement of Tax Collection. From and after the effective date of this act, the citizens and property in the Town of Swannanoa shall be subject to municipal taxes levied for the year beginning July 1, 2009, and for that purpose the Town shall obtain from Buncombe County a record of property in the area herein incorporated which was listed for property taxes as of January 1, 2009.

Section 6.2. Budget. The Town may adopt a budget ordinance for fiscal year 2009-2010 without following the timetable in the Local Government Budget and Fiscal Control Act but shall follow the sequence of actions in the spirit of the act insofar as is practical. For fiscal year 2009-2010, ad valorem taxes may be paid at par or face amount within 90 days of adoption of the budget ordinance and thereafter in accordance with the schedule in G.S. 105-360. If the effective date of the incorporation is prior to

July 1, 2009, the Town may adopt a budget ordinance for fiscal year 2008-2009 without following the timetable in the Local Government Budget and Fiscal Control Act but shall follow the sequence of actions in the spirit of the act insofar as practical. No ad valorem taxes may be levied for the 2008-2009 fiscal year.

ARTICLE VII. ORDINANCES.

Section 7.1. **Ordinances.** Except as otherwise provided in this Charter, the Town of Swannanoa is authorized to adopt such ordinances as the Town Council deems necessary to the governance of the Town.

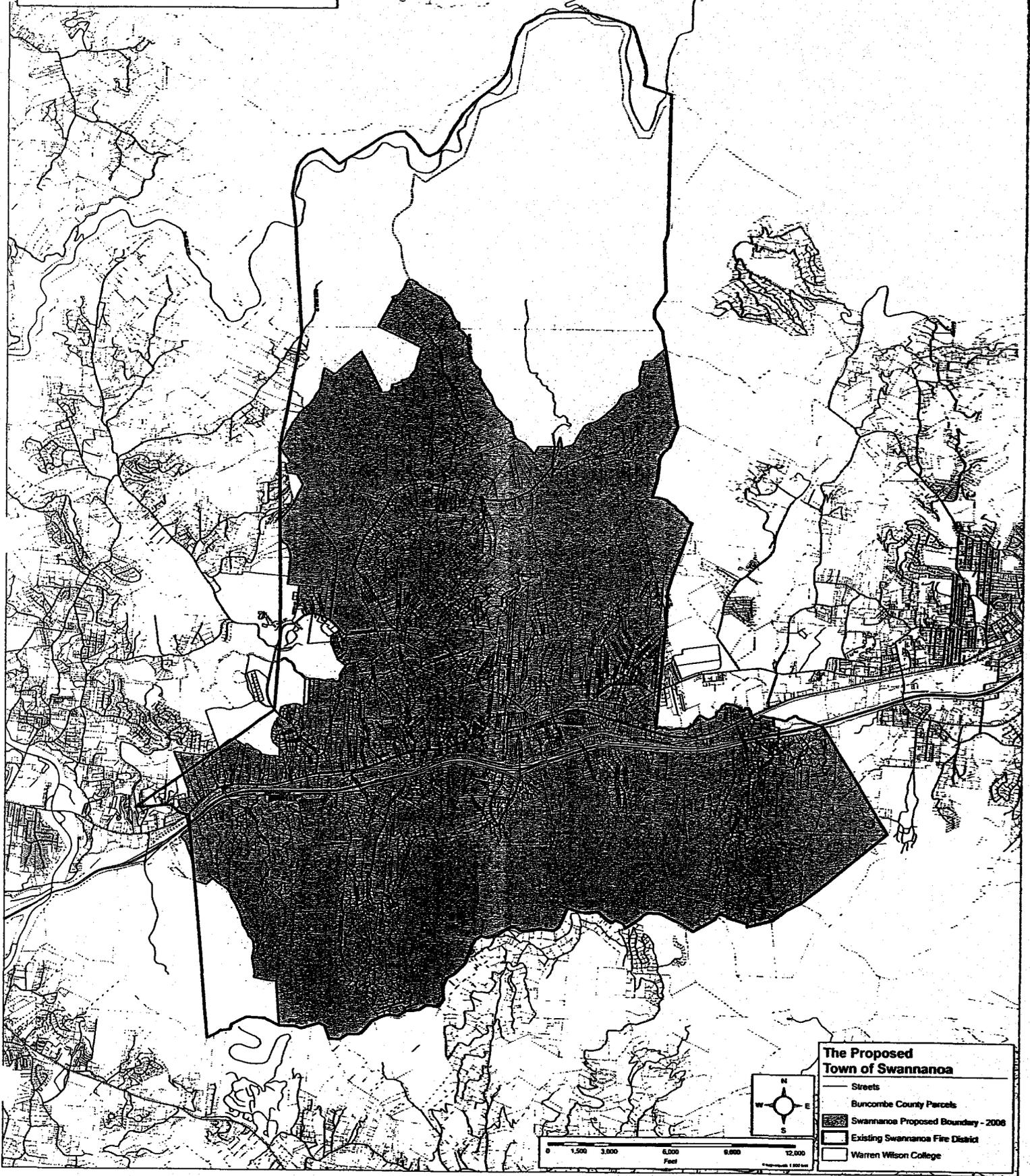
ARTICLE VIII. MISCELLANEOUS PROVISIONS.

Section 8.1. **Expenses.** The entities sponsoring incorporation shall be entitled to recover from the Town expenses of sponsoring incorporation in the amount of two hundred fifty dollars (\$250.00) or greater, provided that the entities seeking recovery shall submit written requests for reimbursement and shall be subject to annual audit. The Town Council may reimburse expenses after the first full fiscal year. To receive reimbursement, all requests must be submitted prior to the end of the second fiscal year."

SECTION 8.2. Notwithstanding G.S. 163-294.2, the filing period for the Town Council and Mayor for the 2009 municipal election shall open at 12:00 noon on the first Monday in August and shall close at 12:00 noon on the first Friday in August.

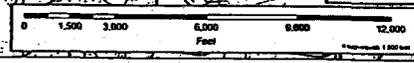
Town of Swannanoa

Proposed Town Boundary
2008



**The Proposed
Town of Swannanoa**

- Streets
- Buncombe County Parcels
- Swannanoa Proposed Boundary - 2008
- Existing Swannanoa Fire District
- Warren Wilson College



Interim Governing Board

The Swannanoa Incorporation Task Force, at a meeting held on August 20, 2007, agreed to name the following persons to the interim governing board of the Town of Swannanoa.

Dave Alexander
80 Green Forest Rd.
Swannanoa NC 28778
Cell # 828-279-3221

Mike Tolley
2294 US Hwy 70
Swannanoa NC 28778

Jane Hansel
75 Outlook Circle
Swannanoa NC 28778

Ron Hillabrand
1121 Bee Tree Lake Rd.
Swannanoa NC 28778

Carol Groben
68 Green Forest Rd.
Swannanoa NC 28778

Linda Kinney
27 Magpie Dr.
Swannanoa NC 28778

Geoffrey Bullock
46 Sunset Dr.
Swannanoa NC 28778

Please note the above named persons reside within the proposed boundaries of the Town of Swannanoa

A Brief History of Swannanoa

By Harriett Styles and Bill Alexander

The name Swannanoa apparently derived from the anglicizing of the Indian name Shawano or Shawnee, referring to an early Indian tribe in the area, or from a Cherokee word meaning "beautiful river."

In 1776 General Griffith Rutherford came through the Swannanoa Valley (then Indian Territory) to keep the Indians from joining forces with the British. There were no Indian settlements in the Valley at that time, so he passed through to the west. However, at the end of the Revolutionary War when the Indian Territory was declared open to settlement, the men who had ridden with General Rutherford remembered the beautiful Swannanoa Valley with its open fertile fields, lush forest for hunting, natural food for livestock and ample water. There was peace and beauty here, far removed from the ravages of war.

The Davidsons and the Alexanders were among the first families to arrive in the Valley. A settlement was established on Bee Tree Creek. A second settlement developed on the North Fork of the Swannanoa River. Gristmills, lumber mills, mica mines and farming thrived.

The beauty and the climate attracted large numbers of "summer people" who came by carriage and wagon to escape the heat and pests of the coastal regions. There were several large inns and many boarding houses. One primary attraction was the trip to Mount Mitchell from Black Mountain.

The Valley remained a farming community, but with the coming of the railroad in 1879, the businesses migrated to the rail centers. The route crossing the Blue Ridge at Swannanoa Gap and following the river was an important route for early settlers and even today remains the busiest artery connecting Western North Carolina and the Piedmont. In addition to the main line of the Norfolk-Southern Railroad, both US Highway 70 and Interstate 40 pass through Swannanoa.

Around 1900, while building his famous Grove Park Inn in nearby Asheville, Dr. E. W. Grove became interested in the Swannanoa area. He developed the Grove Stone and Sand Company to obtain material for his hotel. He purchased land and developed a summer resort at Lake Eden. He also purchased land in Swannanoa and developed "Grovemont," the first planned community in the United States. Grovemont remains a thriving community today.

In 1925, the Beacon Blanket Manufacturing Company relocated to Swannanoa from New Bedford, Massachusetts. Homes were built to house company employees; streets, water lines, and sewers were part of the plan. The Beacon mill provided fire protection and police protection for the village. Under the benevolent umbrella of the Beacon mill

and the Owen family, there was no need for Swannanoa to incorporate. A thriving business district with grocery, drug store, clothing stores, a movie house and variety stores served the whole Valley. The Beacon mill sponsored sports teams and holiday celebrations.

The first village for employees was begun in 1925, built by the Owen family to attract employees for the mill. As the mill continued to grow and prosper, another employee village was built just south of the railroad. These houses were made up of duplexes and single-family homes. During the war years, 1942 to 1945, Beacon employed more than 2,200 people, the largest employer in the Swannanoa Valley and the largest blanket manufacturer in the world. Growth continued into the 1960's. During that period, other industries from furniture to textile-related businesses came into the Valley.

In 1942, two hundred acres were purchased from the North Carolina Agricultural Test Farm in Swannanoa to build a major hospital for the Armed Forces wounded during World War II. It was called Moore General Hospital. During the last year of the war, German prisoners of war were quartered at the facility. The Swannanoa Valley Youth Development Center is now located on the old Moore General site.

In 1957, the government purchased acreage in Swannanoa to build war materials during the cold war. The plant was called Oerlikon. It was sold to Northrop in the late 1960's and then to Chemtronics in the 1980's.

In 1956, the high schools of Black Mountain and Swannanoa were consolidated and the school was named Charles D. Owen High School in honor of the founder of Beacon Blanket Manufacturing Company. It was located in Swannanoa. The new high school's mascot name ("Warhorses") came from a combination of the "war" in the Swannanoa High School's Warriors and the "horses" in the Black Mountain High School's Darkhorses. Some of the famous athletes from Owen High School include Brad Daugherty (UNC-Chapel Hill and Cleveland Cavaliers), and Brad Johnson (QB of the Super Bowl champion Tampa Bay Buccaneers). Roy Williams, a Buncombe County native and the current basketball coach of UNC-Chapel Hill, coached basketball and golf at Owen High School from 1973 to 1978. He also served as athletic director in 1978. Well-known author Patricia Cornwell also graduated from Owen High School.

The 1970's and 1980's saw fairly steady employment in Swannanoa, but the economic decline of the Swannanoa community began as fewer people were employed at Beacon, and the large shopping malls and big box stores drew people away from shopping the independent retailers in Swannanoa. More and more stores closed because business had moved elsewhere.

In the 1980's, Beacon was purchased by National Distillery and sold again in the 1990's to Pillowtex Industries. Pillowtex began to send more and more of its business offshore, consequently weakening the textile business that was left in the country. In early 2000, Beacon employed less than 200 people and the Swannanoa business district had seen its best days. Pillowtex filed for bankruptcy in 2002 and the plant closed March 7, 2003.

On September 3, 2003, the residents of Swannanoa and the Swannanoa Valley witnessed an event as emotionally devastating as the flood of 1916 was physically devastating. Beacon Blanket Manufacturing Company burned to the ground. Thirty-two different fire departments and over 500 personnel responded to the inferno. It was national news. Investigators later determined that arson was the cause and the culprit was arrested, tried and convicted.

Growth has continued in Swannanoa, but on a smaller scale than in decades past. The Cliffs, a residential development company, has purchased property on the southern mountain range of Swannanoa and is currently putting roads on the mountain for a large, upscale residential development called "The Cliffs at High Carolina." World famous golfer Tiger Woods is developing his first U.S. golf course here and is planning to build a house here as well. A number of frontage lots on US 70 have been purchased for the purpose of putting up retail establishments, a barbeque restaurant, a chain drug store and others. Ingles Markets completed one of its largest grocery stores, a 65,000 square foot store, that has all the specialty sections for its many shoppers. There are plans for expanding the shopping base for the people of Swannanoa both short term and long term.

Swannanoa is growing with new residents attracted to the Valley for the natural beauty and affordable housing it provides. Old and new residents are continuing to rebuild the economic base of the community, and explore avenues for the growth and rebirth of Swannanoa.

HISTORY OF THE SWANNANOA INCORPORATION EFFORT 2006-2008

In the summer of 2006, a group of interested Swannanoa residents began meeting informally to talk about their concerns and hopes for Swannanoa. Although Swannanoa had always been a distinct community with a unique culture and proud heritage, the area had recently faced difficult challenges, including the closing of a number of textile mills and two 100-year floods in 2004 that cut a swath of destruction across the community. Swannanoa did not have a representative government or strong community organization that provided a voice for residents. The informal meetings during the summer of 2006 led to formation of the Swannanoa Pride Community Coalition – a grassroots community group that sought to restore pride in Swannanoa and give residents an opportunity to become actively involved in shaping Swannanoa's future.

The Swannanoa Pride Community Coalition (SPCC) held a community-wide meeting on October 17, 2006. Approximately 425 people came out for this meeting, making it one of the best-attended community meetings in Buncombe County history. As part of the October 17 meeting, residents were asked to fill out surveys indicating the issues that were of interest and concern to them. Following the meeting, SPCC formed four community Task Forces to begin working on the areas that residents identified as being of primary importance: Incorporation; Swannanoa River, Parks and Cleanup; Revitalization and Commercial Development; and Land Use and Residential Development. Incorporation was checked more often than any other issue on the survey, with 80% of survey respondents indicating that incorporation was an issue of importance or concern to them. Of that number, 62% stated that they were in favor of incorporation, 31% were uncertain or had no opinion, and 6% were against.

Since the survey results strongly suggested that incorporation was an issue residents wanted to learn more about, the newly formed Incorporation Task Force was asked to undertake an Incorporation Feasibility Study for Swannanoa. The purpose of the feasibility study was to gather the facts so that the community could make an informed decision about the possibility of pursuing incorporation. To facilitate this fact-finding process, the Incorporation Task Force set up seven standing committees: Boundaries and Maps, Town Services and Budget, Charter and Form of Government; Petitions, Government Relations, Communications, and Fundraising.

These committees began meeting regularly in early 2007. Extensive research was undertaken into all aspects of incorporation. Guidance was sought from a wide variety of sources, including state and local agencies, the Institute of Government in Chapel Hill, and leaders of similarly situated municipalities in North Carolina. Four public meetings were held between February and July 2007 to present the results of the feasibility study and solicit input from the Swannanoa community regarding proposed town boundaries, a preliminary town charter, and proposed town services and budget.

In addition to the public meetings, the Incorporation Task Force prepared a variety of written materials to help educate the public about incorporation issues and the results of the feasibility study. These materials were made available to the community on the SPCC website and at several venues in Swannanoa.

In late spring and summer 2007, the Incorporation Task Force undertook a second survey to more specifically assess the attitudes of the community towards incorporation. This survey was designed for the Incorporation Task Force by Dr. Jeffrey Boyce, Adjunct Professor of Business at Montreat College, in order to be more comprehensive and employ established statistical methodology. Approximately 300 survey responses were determined to be valid for the purpose of analysis. This sample size indicated that approximately 75% of the population was in favor of incorporation with a potential error of plus or minus 5% at a 95% confidence level.

Based on the survey responses and the results of its extensive research into incorporation issues, the Incorporation Task Force concluded that incorporation was both feasible and desirable for Swannanoa. In July 2007, the decision was made to move forward with the process of seeking incorporation. By mutual agreement, the Incorporation Task Force was spun off from SPCC in August 2007 to permit the Task Force to independently pursue the legal steps necessary for incorporation.

Since that time, the Incorporation Task Force has been led by a seven member Executive Board, selected from Task Force members who were both willing and eligible to serve as the Interim Town Council if Swannanoa is incorporated. The Incorporation Task Force has been meeting 2 – 4 times per month. All regular meetings of the Task Force are advertised on the website and are open to the public. Minutes of those meetings have also been maintained and made available to the public.

The incorporation petition drive was launched in October 2007 and concluded in January 2008. Petition signing locations were set up at several Swannanoa locations and a group of over 50 volunteers went door-to-door to disseminate information, answer questions, register voters, and gather additional signatures. As certified by the Buncombe County Board of Elections, 1,545 Swannanoa residents have signed the incorporation petition, representing approximately 25.3% of the registered voters within the proposed town boundaries.

During the petition drive, an anti-incorporation group was formed. They held one public meeting in December 2007 and have disseminated written information to the public through a website, flyers, and direct mail. In early January 2008, the Incorporation Task Force responded with a direct mail piece of its own to help educate the public and to address certain inaccurate statements contained in the anti-incorporation materials. The Incorporation Task Force also held additional community meetings in December 2007 and January 2008. Although the January meeting was organized by the Incorporation Task Force, it was designed with the intention of providing undecided residents an opportunity to have their incorporation questions answered by impartial experts in a neutral venue. The meeting was moderated by a non-resident and the

speakers were David Lawrence of the Institute of Government, and Roger Snyder, Mayor of the recently incorporated town of Mills River, NC.

During the spring of 2008, the Incorporation Task Force sought and obtained resolutions of support for Swannanoa's incorporation from the Town of Black Mountain and the City of Asheville, pursuant to the requirements of the North Carolina General Statutes. Additional resolutions of support were received from the Town of Montreat and Buncombe County. As part of the process of obtaining the resolution of support from the City of Asheville, certain modifications were made to the western boundary of the area originally proposed for incorporation. Information regarding the boundary modifications was submitted to the Board of Elections. The Board subsequently notified the Incorporation Task Force by official memorandum that three signatures had been removed from the incorporation petition because of the boundary changes.

In late May 2008, the Incorporation Task Force held a community meeting to give residents a final update on the incorporation effort prior to filing the incorporation application with the Joint Legislative Commission on Municipal Incorporations. The changes that had been made to the western boundary were reviewed with the public at this time.

In addition to its regularly scheduled meetings that are open to the public, the Incorporation Task Force has held eight major community meetings on incorporation since November 2006. Attendance at these meetings has typically been in the range of 75 -100 people. While the majority of those attending the meetings were in favor of incorporation or undecided, some residents opposed to incorporation also attended and participated in the discussions. Those opposed to incorporation have expressed concern about adding another layer of government and additional taxes.

Residents who support incorporation do so for a variety of reasons, including a desire to make decisions locally for the benefit of the community, to have a voice in Swannanoa's future, to preserve the distinct character and culture of the community in the face of rapid growth and development, and to gain access to the financial and other resources that are available to a town. Hundreds of Swannanoa residents have participated in the incorporation effort by attending meetings, working on the petition drive, or serving as a member of one of the Incorporation Task Force committees. As was noted in an editorial in support of Swannanoa's incorporation that appeared in the Asheville Citizen-Times, Swannanoa "has a sense of place and community, and many of its residents have a shared history."

At each step in the process leading to submission of this application, the Incorporation Task Force has sought to be open and transparent, to involve the community and seek input from residents, to convey complete and accurate information, and to be responsive to the needs and desires of the Swannanoa community. In the interest of insuring that Swannanoa residents have an opportunity to participate in this important decision, the Incorporation Task Force respectfully requests that the General Assembly call for a referendum on the incorporation issue.



**OFFICE OF THE SHERIFF
BUNCOMBE COUNTY, NORTH CAROLINA**

**202 Haywood Street
Asheville, N.C. 28801**

Van Duncan, Sheriff

**Mr. S. Dave Alexander
Swannanoa Incorporation Project
80 Green Forest Rd
Swannanoa, NC 28778**

Mr. Alexander,

Attached you will find a spread sheet that the following estimates are drawn from. We estimate a cost of \$120,976.00 for initial purchases to equip your law enforcement responsibilities. The annual expense estimate for operations is estimated at \$258,380.00. A rough estimate of funding needed annually to replace and maintain equipment is \$23,740.00. These are our best estimates at the current time and may change over time.

Additionally, when the time comes, the Sheriff is prepared to enter into a "Mutual Aid Agreement" that will address issues such as protection during times your assigned officers are unavailable, dispatching arrangements, aid in major investigations etc...

I hope you find this information meets your current needs. I look forward to talking more as the plan develops.

Sincerely,

**Major Scott Bissinger
Support Operations**

Swannanoa Law Enforcement Proposal

Initial Costs

		Quantity	Extended
Patrol Vehicle	\$20,500.00	4	\$82,000.00
Tax, Tag, Fees	\$620.00	4	\$2,480.00
Lights / Decals	\$1,100.00	4	\$4,400.00
Push Bar / Partition	\$1,140.00	4	\$4,560.00
Console	\$665.00	4	\$2,660.00
Car Radio / PA	\$1,100.00	4	\$4,400.00
Computers	\$1,600.00	4	\$6,400.00
Computer Stand	\$400.00	4	\$1,600.00
Handheld Radio	\$550.00	4	\$2,200.00
Software	\$684.00	4	\$2,736.00
Uniform	\$575.00	4	\$2,300.00
Weapon G17	\$485.00	4	\$1,940.00
Duty Gear	\$300.00	4	\$1,200.00
Ballistic Vest	\$525.00	4	\$2,100.00

Sub \$120,976.00

Annual Expense

Salary and Wage	\$57,313.00	4	\$229,252.00
Fuel Estimate	\$12,000.00	1	\$12,000.00
Aircard	\$500.00	4	\$2,000.00
CJIS	\$3,100.00	4	\$12,400.00
Misc Supplies	\$250.00	4	\$1,000.00
DCI	\$144.00	2	\$288.00
Cell Phone	\$360.00	4	\$1,440.00

Sub \$258,380.00

Total \$379,356.00

Annual Replacement Expenses

Years

Vehicles	\$90,000.00	4	\$22,500.00
Radios	\$1,100.00	5	\$220.00
Uniforms	\$600.00	1	\$600.00
Bullet Resistant Vests	\$2,100.00	5	\$420.00

Sub \$23,740.00

Annually \$282,120.00



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

MICHAEL F. EASLEY
GOVERNOR

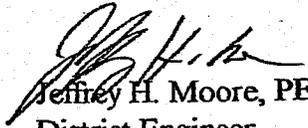
LYNDO TIPETT
SECRETARY

December 18, 2008

MEMORANDUM TO:

Mr. Mike Tolley

FROM:


Jeffrey H. Moore, PE
District Engineer

SUBJECT:

Estimate for Maintenance of Town Roads

Mr. Tolley,

Per your request, my office has estimated the cost for maintenance of secondary roadways. We have consulted with a neighboring municipality and our own Secondary Roadway Budget. Based on the information we obtained, the costs per mile of secondary maintenance are an estimated \$4500.00. Please understand that this is a rough estimate. Actual costs may vary based on the condition of the roadway, the traffic, and environmental factors.

Please let me know if you need further information, or if I can be of any service.

cc: File



Swannanoa Fire Department

PO Box 177
Swannanoa, NC 28778

Phone: (828)-686-3335
Fax: (828)-686-7273



December 15, 2008

Oliver J. Bass, ACIP
Senior Planner
NC Division of Community Assistance
4313 Mail Service Center
Raleigh, NC 27699-4313

Dear Mr. Bass:

This letter is in response to a request from Ronald W. Hillabrand who is a member of the Swannanoa Incorporation Task Force and is as follows:

If the Swannanoa community should become incorporated, it is our intention to provide the fire & rescue services needed. We would be providing those services, at the Buncombe County Fire Tax rate in effect at the time of incorporation. Any future changes in the Buncombe County Fire Tax rate must be approved by Buncombe County officials.

Trusting the above meets with your approval.

Sincerely,

Mark McMeans

Mark McMeans,

Chairman of the Board of Directors
Swannanoa Volunteer Fire Department
P.O.Box 177
Swannanoa NC 28778
1-828-686-3335

SWANNANOVA N.C. STREET LIGHTING PROPOSALS

INTERSECTION LIGHTS- 12(TWELVE) FIXTURES

12 SODIUM VAPOR FIXTURES (50,000 LUMEN)-\$21.63 PER MONTH PER FIXTURE

$\$21.63 \times 12 \text{ MONTHS} = \259.56 PER YEAR TIMES 12 FIXTURES = \$3114.92 PER YEAR

STREET LIGHTS- 50 (FIFTY) FIXTURES

50 SODIUM VAPOR FIXTURES(28,500 LUMEN)- \$17.87 PER MONTH PER FIXTURE

$\$17.87 \times 12 \text{ MONTHS} = \214.44 PER YEAR TIMES 50 FIXTURES = \$10,722.00 PER YEAR

TOTALS INTERSECTION- \$3114.92

STREET LIGHTS-\$10,722.00

TOTAL COST- \$13836.92

PRICES OBTAINED FROM PROGRESS ENERGY STREET LIGHTING SCHEDULE SLS10

INTERSECTIONS INCLUDE BUT NOT LIMITED TO: US HIGHWAY 70 AND WHITSON AVE.,

PATTON COVE RD., RIVERWOOD RD., MELODY CIRCLE, BUCKEYE CV. RD.

OLD US HIGHWAY 70 AND BEE TREE RD., RIVERWOOD RD., GROVEMONT AVE.



May 19, 2009

Swannanoa Incorporation Task Force
c/o Mr. Mike Tolley
2294 US Hiway 70
Swannanoa, NC 28778

Dear Mr. Tolley:

Progress Energy will lease to Swannanoa any street lighting that is required once credit has been approved. I have enclosed our current rate schedule with pricing for all of our lights.

We look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Sterken'.

Greg Sterken, LC

GS:gs
Enclosure

Carolina Power & Light Company
d/b/a Progress Energy Carolinas, Inc.
(North Carolina Only)

22

**STREET LIGHTING SERVICE
SCHEDULE SLS-12A**

AVAILABILITY

This Schedule is available for service supplied in the lighting of dedicated public streets, highways, municipally owned and operated public parking lots, and municipally owned and operated public parks by lighting fixtures mounted on Company-owned poles or government-owned traffic signal poles. This Schedule is also available for continuous service to other installations which were being served on April 1, 1973, under superseded Schedules SL-1G and SL-2C.

SERVICE

The service supplied by Company will include the installation of a street lighting system, according to Company's standards and requirements, which will be owned, maintained, and operated by Company, including the furnishing of the electricity required for the illumination of the lamps from dusk to dawn. The lumen ratings of lighting units listed under the MONTHLY RATE indicate the general class of lamp.

MONTHLY RATE

I. Overhead Service

Basic Rate: The basic rate per fixture defined below will be billed for installations of standard street lighting fixtures. The basic rate does not include the monthly charges for additional facilities, street lighting poles, underground service, Masterpiece Series Standard Facilities, or any contribution required under this Schedule and under the Street Lighting Service Regulations.

	Monthly Charge Per Fixture	Monthly kWh Per Fixture
<u>Sodium Vapor</u>		
5,800 lumen	\$ 7.01	29
9,500 lumen	10.08	46
16,000 lumen	13.44	59
28,500 lumen	17.87	109
50,000 lumen	21.63	152
<u>Metal Halide Units</u>		
9,000 lumen	\$12.77	41
20,000 lumen	19.43	94
33,000 lumen	25.48	133
110,000 lumen	53.59	370
<u>Lighting Fixtures - No Longer Available to New Applicants</u>		
7,000 lumen semi-enclosed (mercury vapor) ¹	\$10.18	69
7,000 lumen (mercury vapor) ¹	10.88	69
12,000 lumen (Retrofit Sodium Vapor) ¹	11.78	59
21,000 lumen (mercury vapor) ¹	17.80	149
22,000 lumen (Sodium Vapor) ²	14.91	86
38,000 lumen (Retrofit Sodium Vapor) ¹	18.65	135
40,000 lumen (metal halide) ³	27.28	160
60,000 lumen (mercury vapor) ¹	38.27	382

¹ Not available for new installations. Upon failure of the fixture or ballast, the fixture shall be replaced at no charge with a similar style fixture as shown in the table below and the monthly rate for the new fixture will apply.

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander, Chair

Jane C. Hansel, Secretary

Ron Hillabrand, Treasurer

Mike Tolley, Vice-Chair

Robert B. Shepard, CPA

Dr. Eloise Styles

Mr. Oliver Bass, Senior Planner
NC Division Community Assistance
NC Department of Commerce
4313 Mail Service Center
Raleigh, N. C. 27699

April 30, 2009

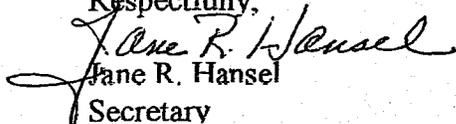
Dear Mr. Bass:

Enclosed you will find the following information that is being forwarded to you in order to meet the expectations of Phase 2. They include: (refer to original application)
Maps-Proposed Boundaries: Section 8; Charter Corporate Boundaries: Section 7, Article II
Estimated Population and Density: Section 3
Degree of Development: Section 4
Board of Elections Petitions Certifications: Section 11
Proposed Budget and Services: Year One (7 months): Section 5
Interim Governing Board; Notification of Executive Board Modifications: Section 6
Proposed Charter: Temporary Officers: Section 7; Art. III, 3.2

If you find that there are further questions concerning our application or any of these materials, please feel free to contact our Chair, Mr. Dave Alexander at (828) 279-3221.

We look forward to continuing our work with you and the Joint Legislative Commission for the positive success of our Swannanoa Incorporation Task Force application.

Respectfully,


Jane R. Hansel
Secretary

Swannanoa Incorporation Task Force

Enclosures

RECEIVED
MAY 01 2009
NC DEPT. OF COMMERCE
COMMUNITY ASSISTANCE

Estimated Population and Density

Estimated population of the proposed Town of Swannanoa

10,250 persons

Estimated area of the proposed Town of Swannanoa

21.28 square miles

Estimated population density of the proposed Town of Swannanoa

481.67 persons per square mile

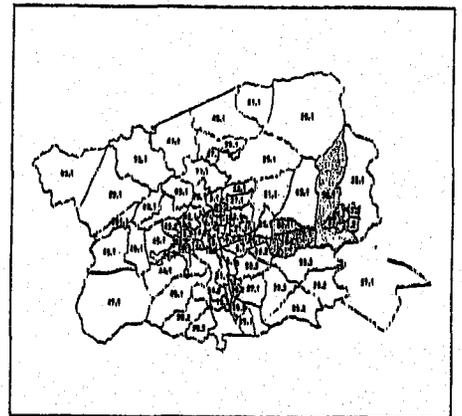
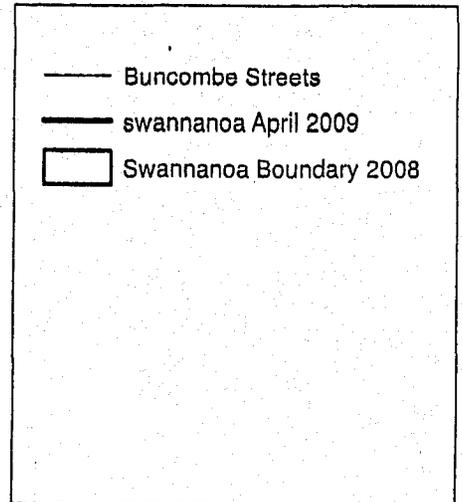
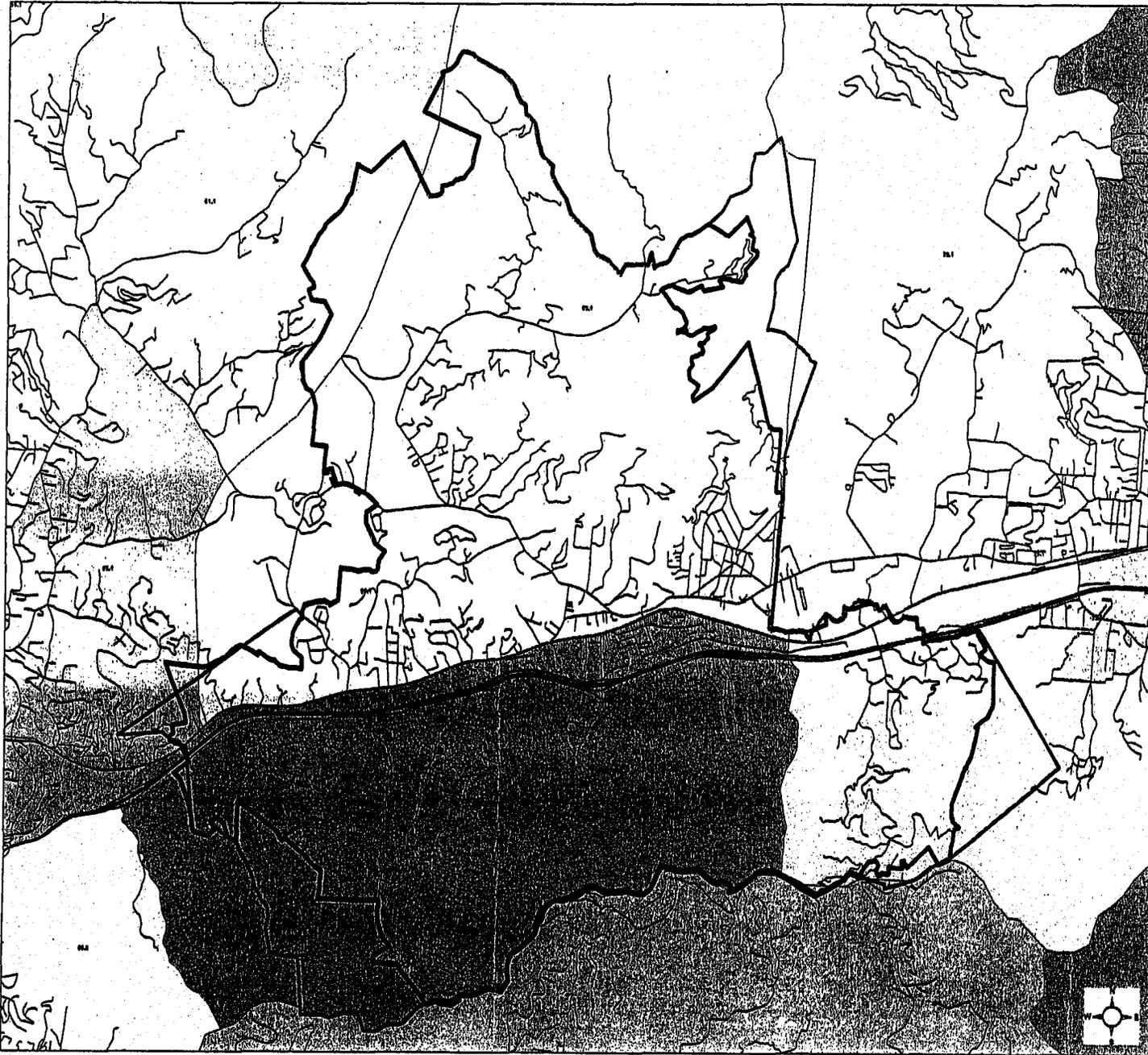
Degree of Development for the Town of Swannanoa

Based on information obtained from the Buncombe County Planning Department, it was determined the total area of the proposed Town of Swannanoa included 21.28 square miles or 13,617.50 acres. This acreage is broken down in the following categories:

<u>Land Use Summary</u>	<u>Acres</u>
Agriculture, Forestry, Horticulture	2,795.11
Camps	21.11
Commercial	507.50
Community Facilities	20.15
Industrial	1,352.59
Undeveloped	3,503.46
Communication	1.00
Telephone	1.17
Electric Distribution	5.37
Residential	<u>5,282.42</u>
	13,489.88
Degree of Development	52.81%
<u>Government Facilities*</u>	
Government Owned	5.74
W.D. Williams Elementary School	21.48
Swannanoa Volunteer Fire Dept.	7.12
Water Pump	.68
Roadway Estimate	<u>37.84</u>
Subtotal	72.86
<u>Religious Institutions</u>	<u>54.76</u>
Grand Total	13,617.50

* Partial Listing only

Swannanoa Proposed Boundaries



**PROPOSED BUDGET – TOWN OF SWANNANOVA
YEAR ONE (7 MONTHS)
FISCAL YEAR ENDING JUNE 30, 2010**

AD VALOREM TAX REVENUE

Real Property Valuation	\$769,970,200
Non-Taxable Portion	109,630,200
Net Taxable Valuation	<u>\$660,340,000</u>
Tax rate	\$0.05
Per assessed Value	\$100.00
Months in 1 st Year	7
Tax Collectible	\$192,599
Assumed Collection Rate	95%
Net Tax Collection	<u>\$182,969</u>

OTHER TOWN REVENUES

Sales Tax	\$115,000
Beer/Wine Tax	16,750
Utility Franchise Tax	128,333
Piped Natural Gas Tax	17,083
Telecommunications Tax	68,333
Video Tax	8,300
	<u>\$353,799</u>

TOTAL TOWN REVENUES \$536,768

GENERAL FUND EXPENDITURES

Town Clerk	\$11,200
Office & Maintenance	15,000
Employee Taxes & Benefits	2,500
Property Tax Collection Costs	2,885
Attorney & Legal Expense	17,500
Mapping & Survey Expense	12,000
Supplies	2,500
Insurance	5,000
Community Planning Costs	10,000
Fire Department Contract Negotiation	2,000
Police Expense	3,500
Street Maintenance Expense	16,000
Miscellaneous Expense	2,000
	<u>\$102,085</u>

CAPITAL FUND EXPENDITURES

Equipment	\$15,000
Street Lighting Phase One	8,300
	<u>\$23,300</u>

TOTAL TOWN EXPENDITURES \$125,385

RESERVES, END OF FIRST YEAR \$411,383

**TOWN OF SWANNANOVA
ESTIMATED BUDGET (REVISED)
FOR SECOND FULL YEAR OF OPERATION**

TOWN SERVICES SUPPORTED BY AD VALOREM TAXES

AD VALOREM TAX REVENUE

Real Property Valuation	\$795,889,774
Non-Taxable Public Property	<u>112,299,745</u>
Net Real Property Valuation	\$683,590,029
Personal Property Valuation	<u>135,561,345</u>
Total Property Valuation	<u>\$819,151,374</u>
Proposed Town Tax Revenue at .17 per \$100	<u>\$1,392,557</u>
Net Collectible Tax at 95% Collection Rate	<u>\$1,322,929</u>

TOWN SERVICES FUNDED FROM AD VALOREM TAXES

Fire Protection Services	\$988,403
Police Protection Services	175,000
Street Maintenance Services	151,226
Street Lighting	<u>8,300</u>
	<u>\$1,322,929</u>

Combinedtaxrate

**TOWN OF SWANNANOA
ESTIMATED BUDGET (REVISED)
FOR SECOND FULL YEAR OF OPERATION**

TOWN SERVICES AND FUNCTIONS SUPPORTED BY STATE-SHARED T

ALLOCATED TOWN REVENUES

Sales Tax	\$502,956
Utility Franchise Tax	315,500
State Highway Funds	304,232
Telecommunications Tax	167,277
Beer/Wine Tax	46,096
Piped Natural Gas Tax	41,998

GENERAL FUND EXPENDITURES

Town Manager	\$72,100
Town Clerk	30,900
Employee Taxes, Benefits and Expenses	36,500
Office and Maintenance	40,000
Attorney & Legal Expense	30,000
Planning Services	50,000
Supplies	5,150
General Administration	150,000
	<u>414,650</u>

SPECIAL FUND EXPENDITURES

Combined tax rate

Fire Department	247,597
Police Department	175,000
Street Maintenance	154,684
Capital Equipment	<u>15,000</u>
TOTAL FUND EXPENDITURES	<u>592,281</u>

ESTIMATED SURPLUS

BUNCOMBE COUNTY



LEGISLATIVE

JUN 10 2009

**BOARD OF ELECTIONS
DRAFTING**

Jones P. Byrd, Chairman
Lucy Smith, Secretary
Robert Van Wagner, Member
Trena Parker, Director

P.O. Box 7468
Asheville, NC 28802
Courthouse Annex
Telephone 828-250-4200
Fax 828-255-5184

6/4/2009

Dave Alexander, Chair
Swannanoa Incorporation Task Force
PO Box 241
Swannanoa, NC 28778

Dear Mr. Alexander,

The Buncombe County Board Elections received another new proposed boundary for the Swannanoa incorporation area on June 2nd, 2009. Per your request, the current statistics that reflect these boundary changes are as follows:

1. The number of registered voters as of June 4th, 2009 in Buncombe County is 171,904.
2. The current (as of 6/04/2009) number of registered voters in the proposed Swannanoa incorporation area is 7,007.
3. After the review of the incorporation petitions last year, there were 1,548 registered voters in the proposed Swannanoa incorporation area that signed the petition. The new number, which reflects the newly adjusted boundary, is 1,519.

Sincerely,

Jones Byrd,
Chairman
Buncombe County Board of Elections

NOTARY: BRIAN K. BRYSON

EXPIRES: 9/16/2012

Black Mountain News

P. O. Box 9

Black Mountain, NC 28711

AFFIDAVIT OF PUBLICATION

STATE OF NORTH CAROLINA BUNCOMBE COUNTY

NOTICE OF INTENT TO SUBMIT PETITION TO INCORPORATE THE TOWN OF SWANNAOHA STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE

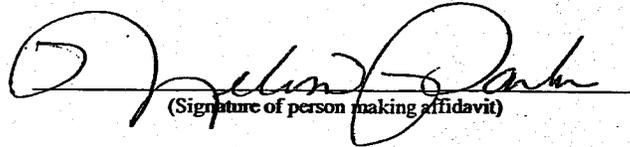
This is to notify all persons, corporations and other entities having any interest that on the 31st day of July, 2008 in Raleigh, North Carolina the Swannanoa Incorporation Task Force for the Town of Swannanoa will submit a petition for incorporation of the Town of Swannanoa, North Carolina to the Joint Legislative Commission on Municipal Incorporation pursuant to Article 20 of Chapter 120 of the North Carolina General Statutes. The area to be included within the boundaries of Swannanoa is depicted on the map below. Further information can be obtained by calling 828-686-3469.

This the 17th day of July, 2008

Dave Alexander, Chairman
Swannanoa Incorporation
Task Force
PO Box 24
Swannanoa, NC 28778

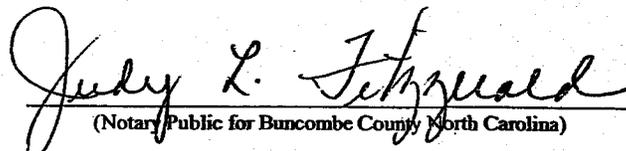
The Black Mountain News Company, publishers of **The Black Mountain News**, a newspaper published, issued, and entered as second class mail in Black Mountain, Buncombe County, North Carolina; state that the notice or other legal advertisement, a true copy of which is attached hereto, was published in **The Black Mountain News** on the following date: **July 17, 2008**

The Black Mountain News complies with all requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and is a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.



(Signature of person making affidavit)

Sworn to and subscribed before me the
17th day^{of} July, 2008



(Notary Public for Buncombe County, North Carolina)

My Commission expires 01/23/2011

Black Mountain News
P. O. Box 9
Black Mountain, NC 28711

AFFIDAVIT OF PUBLICATION

**STATE OF NORTH CAROLINA
BUNCOMBE COUNTY**

**NOTICE OF INTENT TO SUBMIT
PETITION TO INCORPORATE
THE TOWN OF SWANNAOA
STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE**

This is to notify all persons, corporations and other entities having any interest that on the 31st day of July, 2008, in Raleigh, North Carolina, the Swannaoa Incorporation Task Force for the Town of Swannaoa will submit a petition for incorporation of the Town of Swannaoa, North Carolina to the Joint Legislative Commission on Municipal Incorporation pursuant to Article 20 of Chapter 120 of the North Carolina General Statutes. The area to be included within the boundaries of Swannaoa is depicted on the map below. Further information can be obtained by calling 828-686-3469.

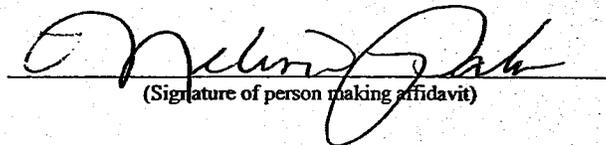
This the 24th day of July, 2008

Dave Alexander, Chairman
Swannaoa Incorporation
Task Force

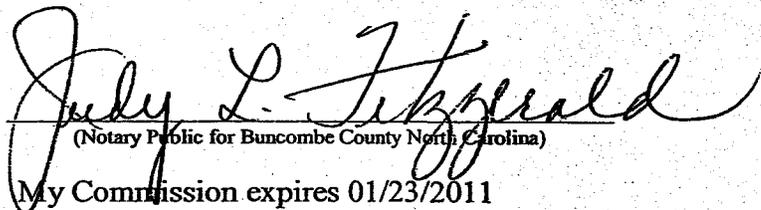
PO Box 241
Swannaoa, NC 28778

The Black Mountain News Company, publishers of **The Black Mountain News,** a newspaper published, issued, and entered as second class mail in Black Mountain, Buncombe County, North Carolina; state that the notice or other legal advertisement, a true copy of which is attached hereto, was published in **The Black Mountain News** on the following date: **July 24, 2008**

The Black Mountain News complies with all requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and is a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.


(Signature of person making affidavit)

Sworn to and subscribed before me the
24th day of July, 2008


(Notary Public for Buncombe County North Carolina)
My Commission expires 01/23/2011

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Mr. Nathan Ramsey
Chairman
Buncombe County Commission
60 Court Plaza
Asheville, NC 28801

Oct. 21, 2008

Dear Chairman Ramsey:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

The Task Force greatly appreciates the courtesies extended by County Staff during our deliberations with Commissioners.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Mrs. Shirley Raines
Town Clerk
Town of Black Mountain
Black Mountain, NC 28711

Oct. 21, 2008

Dear Mrs. Raines:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

The Task Force greatly appreciates the courtesies extended by Staff during our deliberations with Aldermen.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Mrs. Letta Jean Taylor, Mayor
Town of Montreat
PO Box 423
Montreat, NC 28757

Oct. 21, 2008

Dear Mayor Taylor:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

The Task Force greatly appreciates the courtesies extended by Staff during our deliberations with Commissioners.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Oct. 21, 2008

Mr. Gary Jackson
City Manager
City of Asheville
PO Box 7148
Asheville, NC 28802

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Dear Mr. Jackson:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

The Task Force greatly appreciates the courtesies extended by City Staff during our deliberations with Council.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Mrs. Mary "Bett" Stroud, Mayor
Town of Weaverville
305 S. Main St.
Weaverville, NC 28787

Oct. 21, 2008

Dear Mayor Stroud:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander
Geoffrey Bullock
Carol Groben
Jane C. Hansel
Ron Hillabrand
Linda Kinney
Mike Tolley

Mr. George F. Goosmann, III, Mayor
Town of Biltmore Forest
PO Box 5352
Biltmore Forest, NC 28803

Oct. 21, 2008

Dear Mayor Goosmann:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

Cordially,

Dave Alexander, Chair

Swannanoa Incorporation Task Force

Executive Board

PO Box 241
Swannanoa, NC 28778

Dave Alexander

Geoffrey Bullock

Carol Groben

Jane C. Hansel

Ron Hillabrand

Linda Kinney

Mike Tolley

Mr. Jerry VeHaun, Mayor
Town of Woodfin
90 Elk Mountain Rd.
Woodfin, NC 28804

Oct. 21, 2008

Dear Mayor VeHaun:

By submitting documents to the North Carolina Joint Commission on Municipal Incorporations it is the intent of the Swannanoa Incorporation Task Force to seek legislative action leading to incorporation.

Petition documents and accompanying supportive data were submitted Aug. 1, 2008.

Cordially,

Dave Alexander, Chair

Assessment of the Petition

By

Town of Swannanoa

(Buncombe County)

For

Incorporation

Relative to NC G.S. 120-163 and NC G.S. 120-164

North Carolina Department of Commerce

Division of Community Assistance

The Division of Community Assistance (DCA) staff has reviewed the petition for the incorporation of Swannanoa to determine if the requirements of NC G.S. 120-163 and 120-164 have been satisfied. These sections of the General Statutes refer to the petition and notification requirements. The requirements of these sections have been satisfied as described below.

G.S. 120-163(a) requires that the petition be signed by at least 15 percent (but not less than 25 voters) of the registered voters in the area proposed for incorporation. The proposed Town of Swannanoa has submitted a petition with the required signatures.

G.S. 120-163(b) requires that "the petition be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signatures, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt." G.S. 120-163(d) requires that the petitioners present to the Commission the verified petition from the county board of elections. The Buncombe County Board of Elections has verified the Town of Swannanoa's petition.

G.S. 120-163(c) requires that the petition include a number of items. These items are:

- A proposed name of the city. The proposed name is the "Town of Swannanoa".
- A map of the city. The petition of the Town of Swannanoa does include a map.
- A list of at least 4 services to be provided by the proposed municipality by the 3rd fiscal year. The petition of the Town of Swannanoa does include a list of proposed services.
- The name of three persons to serve as the interim governing board. The petition does include the name of at least three persons to serve as the interim board.
- A proposed charter. The petition does include a proposed charter.
- A statement of the estimated population and density. The petition does include a statement on the estimated population and density.
- A statement on assessed valuation. The petition does include a statement on the assessed value of property in the proposed area to be incorporated.
- A statement on the degree of development. The petition does include a statement on the degree of development.

- Recommendations as to the form of government and manner of election. The petition does include a recommendation as to the form of government and manner of election.
- A statement that the Town will have a budget ordinance with an ad valorem tax levy of at least \$.05 per \$100 valuation. The petition does include such statement.

According to G.S. 120-163, the proposed municipality may not contain any noncontiguous areas. Based on the map submitted with the petition, the proposed boundary of the municipality does not contain any noncontiguous areas.

According to G.S. 120-164(a) not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) the board of county commissioners of the county where the proposed municipality is located;
- (2) all cities within that county;
- (3) and all cities in any other county that are within five miles of the proposed municipality of the intent to petition the Commission.

The petition includes copies of notification letters mailed to Buncombe County and the municipalities of Asheville, Biltmore Forest, Black Mountain, Montreat, Weaverville, and Woodfin. Therefore, all required notifications have been sent.

According to G.S. 120-164(b), the petitioners shall also publish, one per week for two consecutive weeks, with the second notice appearing no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission.

The required notifications were published in The Black Mountain News on July 17 and July 24, 2008 as evidenced by an affidavit of publication.

Assessment of Petition

By

**Town of Swannanoa
(Buncombe County)**

for

Incorporation

Relative to G.S. 120-166, Nearness to another municipality

**North Carolina Department of Commerce
The Division of Community Assistance**

The Division of Community Assistance staff has reviewed the petition for incorporation from Swannanoa as it relates to N.C.G.S.120-166¹. Subsection (a) of the statute establishes criteria based upon the nearness of the proposed town to existing municipalities and their respective populations. The statute requires that the population values be in accordance with the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. These relations are presented in the following table:

Critical distance	Population of neighboring municipalities
1 mile	5,000 to 9,999
3 miles	10,000 to 24,999
4 miles	25,000 to 49,999
5 miles	50,000 and over

The Town of Black Mountain (population 7,511) is located within 1 mile of the proposed boundaries of Swannanoa and does meet the population threshold set in G.S. 120-166(a). The City of Asheville (population 68,889) is located within 5 miles of the proposed boundaries of Swannanoa and does meet the population threshold set in G.S. 120-166(a).

The Town of Montreat (population 630) is located within 4 miles of the proposed boundaries of Swannanoa but does not meet the population threshold set in G.S. 120-166(a). The Town of Woodfin (population 3,162) is located within 5 miles of the proposed boundaries of Swannanoa but does not meet the population threshold set in G.S. 120-166(a). No additional municipalities fall within the population and distance thresholds set in G.S. 120-166(a).

The proposed municipality is not on an island so subsection (b)(1) does not apply. The proposed municipality is not separated by a major river or other natural barriers so subsection (b)(2) does not apply. The petition indicated no evidence that Subsection (b)(4) applies (a petition for annexation to nearby city that was not approved). The petitioners have submitted resolutions from the municipalities of Asheville and Black Mountain expressing their approval of the incorporation so subsection (b)(3) does apply.

The Commission is not precluded from making a positive recommendation on the petition for incorporation of the proposed Town of Swannanoa as it relates to GS 120-166.

Methodology:

The proposed boundary of Swannanoa is estimated based on the boundary description and the boundary map presented with the petition. The boundary for existing municipalities were determined from the most recent digital data available from Buncombe County any other county within 5 miles of Swannanoa. The buffer area around Swannanoa shown on the attached map, which identifies municipalities that are within 1 mile, 3 miles, 4 miles, and 5 miles of the proposed municipality, were calculated using ArcGIS software. The population estimates for the nearby municipalities are based on the most recent (2000) decennial census or estimates of the Office of State Budget and Management (<http://demog.state.nc.us/>) if incorporated since 2000.

¹ § 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census.

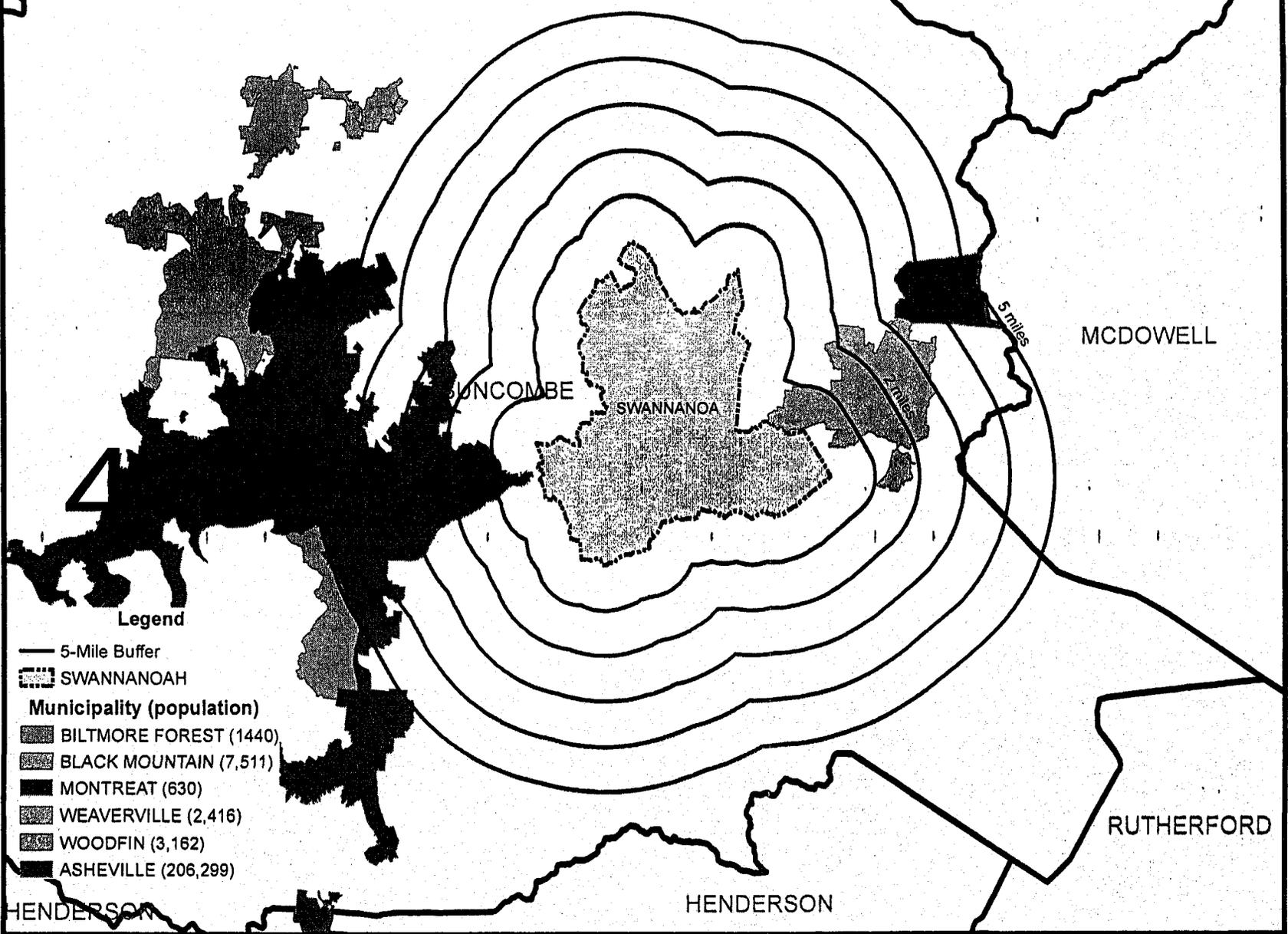
(b) Subparagraph (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subparagraph (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1989 (Reg. Sess., 1990), c. 1024, s. 25; 1998-150, s. 2; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b).

MADISON

Nearness to Another Municipality

YANCEY



Legend

- 5-Mile Buffer
- ▭ SWANNANOAH
- Municipality (population)**
- ▭ BILTMORE FOREST (1,440)
- ▭ BLACK MOUNTAIN (7,511)
- ▭ MONTREAT (630)
- ▭ WEAVERVILLE (2,416)
- ▭ WOODFIN (3,162)
- ▭ ASHEVILLE (206,299)

JUNCOMBE

SWANNANOAH

5 miles

MCDOWELL

HENDERSON

HENDERSON

RUTHERFORD



City of Asheville, NC

Office of the City Attorney

June 4, 2008

Mr. Dave Alexander, Chairman
Swannanoa Incorporation Task Force
PO Box 241
Swannanoa, NC 28778

RE: Swannanoa Incorporation

Dear Chairman Alexander:

Enclosed please find a certified copy of City of Asheville Resolution No. 08-111 adopted on May 27, 2008, regarding the proposed incorporation of the Town of Swannanoa.

Please let me know if you have any questions, or need any further information.

Sincerely,

Robert W. Oast, Jr.
City Attorney

RWOjr:lm
Enclosure

RESOLUTION NO. 08-111

RESOLUTION REGARDING PROPOSED INCORPORATION OF THE TOWN OF SWANNANOVA

WHEREAS, pursuant to Article 20 of Chapter 120 of the North Carolina General Statutes, an application will be submitted to the Joint Legislative Commission on Municipal Incorporation (herein "Commission") for the incorporation of the Town of Swannanoa in Buncombe County; and

WHEREAS, the proposed Town of Swannanoa is within five miles of the City of Asheville, which has a population of over 50,000, and therefore qualifies for notification of the proposed incorporation pursuant to N.C.G.S. 120-164(a)(2), and qualifies to express its approval of the proposed incorporation pursuant to N.C.G.S. 120-166(b)(3); and

WHEREAS, the Swannanoa Incorporation Task Force (herein "Task Force") has requested that the City of Asheville, as a qualifying municipality, express its position as to approval of the proposed incorporation; and

WHEREAS, the Task Force has indicated that it will request that a referendum be held on the question of incorporation, and the City's approval of this resolution is conditional on the Task Force including said request in its petition;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

1. The City of Asheville approves the incorporation effort of the Town of Swannanoa to obtain a greater degree of governance and control over its future through incorporation, but expresses the following concerns:
 - a. That the size of the area proposed for incorporation will present practical difficulties in delivering urban services;
 - b. That the density and character of the area proposed for incorporation is predominately rural and does not reflect the intent of incorporation, and the Task Force is encouraged to consider excluding from the area proposed for incorporation large areas of rural land on which no development is planned;
 - c. Incorporation affects the City of Asheville's opportunities for improved fiscal health.
2. The Task Force will request the Commission to recommend to the General Assembly that any act incorporating Swannanoa be submitted to a referendum.
3. The City Attorney is directed to provide a certified copy of this resolution to the Task Force.

Read, approved and adopted this 27th day of May, 2008.

Magdalen Burleson
City Clerk

Jerry M Bellamy
Mayor

Approved as to form:

[Signature]
City Attorney

CERTIFICATE

I, Magdalen Burleson, City Clerk of the City of Asheville do hereby certify that the attached is a true and accurate copy of Resolution No. 08-111 adopted by the Asheville City Council on May 27, 2008, + found in Resolution Book No. 31 at page 184

Magdalen Burleson
Magdalen Burleson
City Clerk

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, Linda C. MAYNARD, a Notary Public of the aforesaid County and State do hereby acknowledge that Magdalen Burleson, City Clerk, personally appeared before me this day and acknowledged the due execution by her of the foregoing Certificate.

Witness my hand and notarial seal this 4th day of JUNE, 2008.

Linda C. Maynard
Notary Public Linda C. MAYNARD
My Commission Expires: 9-14-2009



**RESOLUTION OF SUPPORT FOR THE INCORPORATION
OF THE TOWN OF SWANNANOA**

WHEREAS, there is an ongoing effort to incorporate the community of Swannanoa into a municipality under the provisions of the North Carolina General Statutes; and,

WHEREAS, North Carolina General Statute 120-166(a) prohibits the North Carolina Joint Legislative Committee on Municipal Incorporations from making a positive recommendation to the North Carolina General Assembly on the incorporation of any new municipality so long as the corporate boundaries of the new municipality fall within one mile of an existing municipality of between 5,000 and 9,999 in population; and,

WHEREAS, the proposed municipal corporate boundary for the community of Swannanoa will lie to within one mile of the Town of Black Mountain, an existing municipality; and,

WHEREAS, North Carolina General Statute 120-166(b)(3) gives an existing municipality the right to waive the prohibition on incorporation cited in North Carolina General Statute 120-166(a) by passage of a resolution of the governing body of the existing municipality; and,

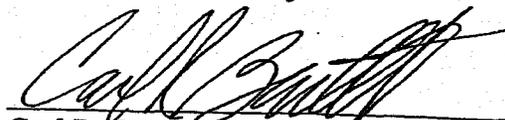
WHEREAS, the Black Mountain Board of Aldermen have no opposition to the incorporation of the community of Swannanoa.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Aldermen for the Town of Black Mountain does hereby express their willingness to approve of the incorporation of the community of Swannanoa with full knowledge that the corporate boundaries of this new municipality will come well within the one mile prohibition specified in the North Carolina General Statutes.

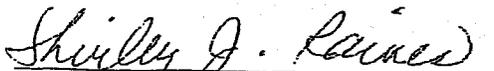
I move the adoption of the foregoing resolution:


Alderman

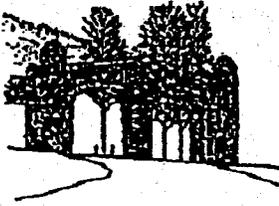
READ, APPROVED AND ADOPTED, this 11th day of February 2008.


Carl R. Bartlett, Mayor

ATTEST:


Shirley J. Raines, Town Clerk


Anthony N. Caudle, Town Manager



Town of Montreat

P.O. Box 423, Montreat, North Carolina 28757
Phone: (828) 669-8002 • Fax: (828) 669-3810

Resolution # 08-03-0001

**RESOLUTION OF SUPPORT FOR THE INCORPORATION
OF THE TOWN OF SWANNANOA**

WHEREAS, there is an ongoing effort to incorporate the community of Swannanoa into a municipality under the provisions of the North Carolina General Statutes; and,

WHEREAS, there has been a long history of farming, residential, commercial, institutional and industrial development in Swannanoa, attracting large numbers of residents and visitors; and,

WHEREAS, this long history continues with the new growth of residential and commercial development; and,

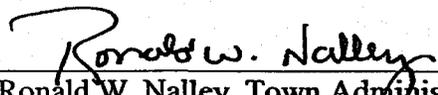
WHEREAS, a survey by the Swannanoa Incorporation Task Force determined that there was broad appeal for incorporation within the community and a desire for expanding municipal services; and,

WHEREAS, the Montreat Board of Commissioners has no opposition to the incorporation of the community of Swannanoa,

NOW, THEREFORE, BE IT RESOLVED that the Town of Montreat Board of Commissioners does hereby express their support for the incorporation of the Town of Swannanoa.

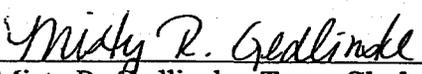
READ, APPROVED AND ADOPTED, this 13th day of March, 2008


Letta Jean Taylor, Mayor


Ronald W. Nalley, Town Administrator

ATTEST:

I hereby certify this is a true and correct copy of this Resolution, duly adopted by the Town of Montreat on the 13th day of March, 2008, as it appears of record in the official minutes.


Misty R. Gedlinske, Town Clerk



Buncombe County Commissioners

Nathan Ramsey, Chairman
David Gantt, Vice Chairman

Carol Weir Peterson, Commissioner
Bill Stanley, Commissioner
David Young, Commissioner

May 22, 2008

Mr. Dave Alexander
Swannanoa Incorporation Task Force
P O Box 241
Swannanoa, NC 28778

Dear Mr. Alexander:

Please accept this letter as acknowledgement that at their meeting of February 19, 2008, the Buncombe County Board of Commissioners voted to endorse the Swannanoa Incorporation through a binding vote of the community.

If you have any questions about this action, please don't hesitate to contact me or our Clerk at the number below.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Ramsey".

Nathan Ramsey
Chairman

Cc: Kathy Hughes, Clerk
file



Assessment of Petition

For the Incorporation of the

**Town of Swannanoa
(Buncombe County)**

Relative to NC G.S. 120-167 - 120-170

**North Carolina Department of Commerce
Division of Community Assistance**



Proposed Town of Swannanoa Phase II Study

The Division of Community Assistance (DCA) staff has reviewed the petition for incorporating the proposed Town of Swannanoa relative to NC G.S. 120-167 through G.S. 120-170. The following discussion addresses each of these sections of the General Statutes.

G.S. 120-167 Additional criteria; population.

G.S. 120-167 refers to population and requires that a municipality has a permanent population of at least 100 and a population density (permanent and seasonal) of at least 250 persons per square mile. The Buncombe County Board of Elections determined there are 7,066 registered voters living in the proposed Town of Swannanoa, exceeding the required minimum permanent population. DCA performed a land use analysis of the subject area and identified 3,992 dwelling units. The 2000 US Census Bureau data estimates an average of 2.32 persons per household for the Swannanoa Township in Buncombe County and a housing vacancy rate of 6.42 percent. This suggests that at least 8,667 persons are likely to reside in a total land area of 19.338 square miles. The total population density of the proposed Town of Swannanoa is 448.177 persons per square mile (permanent and seasonal). **It appears that G.S. 120-167 is satisfied.**

G.S. 120-168 Additional criteria; development.

G.S. 120-168 refers to development and requires that at least 40 percent of the area must be "developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants."

DCA analyzed available county tax information and aerial photographs to determine the degree of development. The land use survey considered parcels as "developed" if they had land use characteristics that were residential, commercial, institutional or governmental, industrial, or dedicated open spaces. Vacant parcels, residential parcels over 5 acres per dwelling, and agricultural parcels were considered "undeveloped." DCA's analysis indicated that 40.29 percent of the subject area, as presently proposed, is developed (see Table 1 and Map A). **It appears that G.S. 120-168 is satisfied.**

Table 1:
Development Relative to NC G.S. 120-168

Land Use	Acres
Commercial	321.58
Industrial	1,276.12
Institutional/Governmental/Utilities	197.84
Residential	2,785.90
Open Space	83.50
Undeveloped	6,912.87
Total Acreage	11,577.81
Total Developed Acreage	4,664.94
% Developed	40.292%

G.S. 120-169 Additional criteria; area unincorporated.

G.S. 120-169 requires that none of the area proposed for incorporation may be included within the boundary of another incorporated municipality. DCA compared the boundaries of the proposed Town of Swannanoa with the most recently updated Buncombe County (GIS) data as well as the North Carolina Department of Transportation (GIS) data and found no evidence that any of the subject area is part of an incorporated municipality. **It appears that NC G.S. 120-169 is satisfied.**

G.S. 120-169.1 Additional criteria; services.

G.S. 120-169.1(b) requires that the area to be incorporated submit a plan for providing a reasonable level of municipal services. To meet the requirements of this section, the proposed Town of Swannanoa must propose to provide at least four of the following services:

- 1) Police protection.
- 2) Fire protection.
- 3) Solid waste collection or disposal.
- 4) Water distribution.
- 5) Street maintenance.
- 6) Street construction or right-of-way acquisition.
- 7) Street lighting.
- 8) Zoning.

The proposed Town of Swannanoa has submitted a sufficient plan for providing four out of eight of the above services. The proposed Town of Swannanoa will provide

police protection, fire protection, street lighting, and street maintenance. Police protection will be provided through a contract with the Buncombe County Sheriff's Department. Fire protection will be provided through an agreement with the Swannanoa Volunteer Fire Departments. Street maintenance will be provided through a contract with the North Carolina Department of Transportation. Street lighting will be provided by contract with Progress Energy. **It appears that NC G.S. 120-169.1(b) is satisfied.**

G.S. 120-170 Findings as to services.

G.S. 120-170 requires that the proposed municipality can provide, at a reasonable tax rate, the services requested by the petition (police, fire, street lighting, and street maintenance) and that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. The proposed Town of Swannanoa has proposed a \$0.17/\$100 property tax rate which would generate the estimated property tax revenue of \$1,322,929 (based on \$819,151,374 assessed valuation and assuming a 95 per cent collection rate). The proposed services and cost of the services is as follows: police protection will be provided through a contract with the Buncombe County Sheriff's Department (\$175,000); fire protection will be provided through a contract with the Swannanoa Fire Departments (\$988,403); street maintenance services will be provided through a contract with the North Carolina Department of Transportation (\$151,226- (\$4500/ street mile)); street lighting will be provided through a contract with Progress Energy (\$8,300- 5 lights @ \$259.56 per light each year; 30 lights at 214.44 per light each year; plus \$569 for support costs). The total annual cost of services the proposed Town of Swannanoa intends to provide is \$1,322,939. As a result of the types of services the proposed Town of Swannanoa plans to provide and the manner in which those services would be provided, the proposed \$0.17/\$100 property tax rate appears to be reasonable.

The attached table provides data on municipalities incorporated since 2000 and compares that information with the proposed tax rate and cost of services proposed by the proposed Town of Swannanoa. In addition, to give some indication of a comparison of the tax rate proposed by the proposed Town of Swannanoa and that assessed by other similar municipalities, DCA compared the proposed Town of Swannanoa with the North Carolina Department of Treasurer 2008 Municipal Financial Profiles for municipal populations between 2,500 and 9,999 persons. The proposed Town of Swannanoa has proposed a \$0.17/\$100 property tax rate, which would generate an estimated property tax revenue of \$1,322,939 based on an estimated \$819,151,374 assessed value and 95 percent collection rate. In comparison, the North Carolina Department of Treasurer report for municipalities with a population between 2,500 and 9,999 indicates an average property tax rate of \$0.2673/\$100 valuation and an average property tax revenue of \$1,586,045. For the proposed Town of Swannanoa to generate similar revenues, it would need to levy a property tax rate of \$0.2039/\$100 valuation (assuming a total assessment of \$819,151,374). As stated above, the proposed Town of Swannanoa can provide the four proposed services at a reasonable tax rate, but would not likely be able to provide additional services without a property tax rate increase. **It appears that G.S. 120-170 is satisfied.**

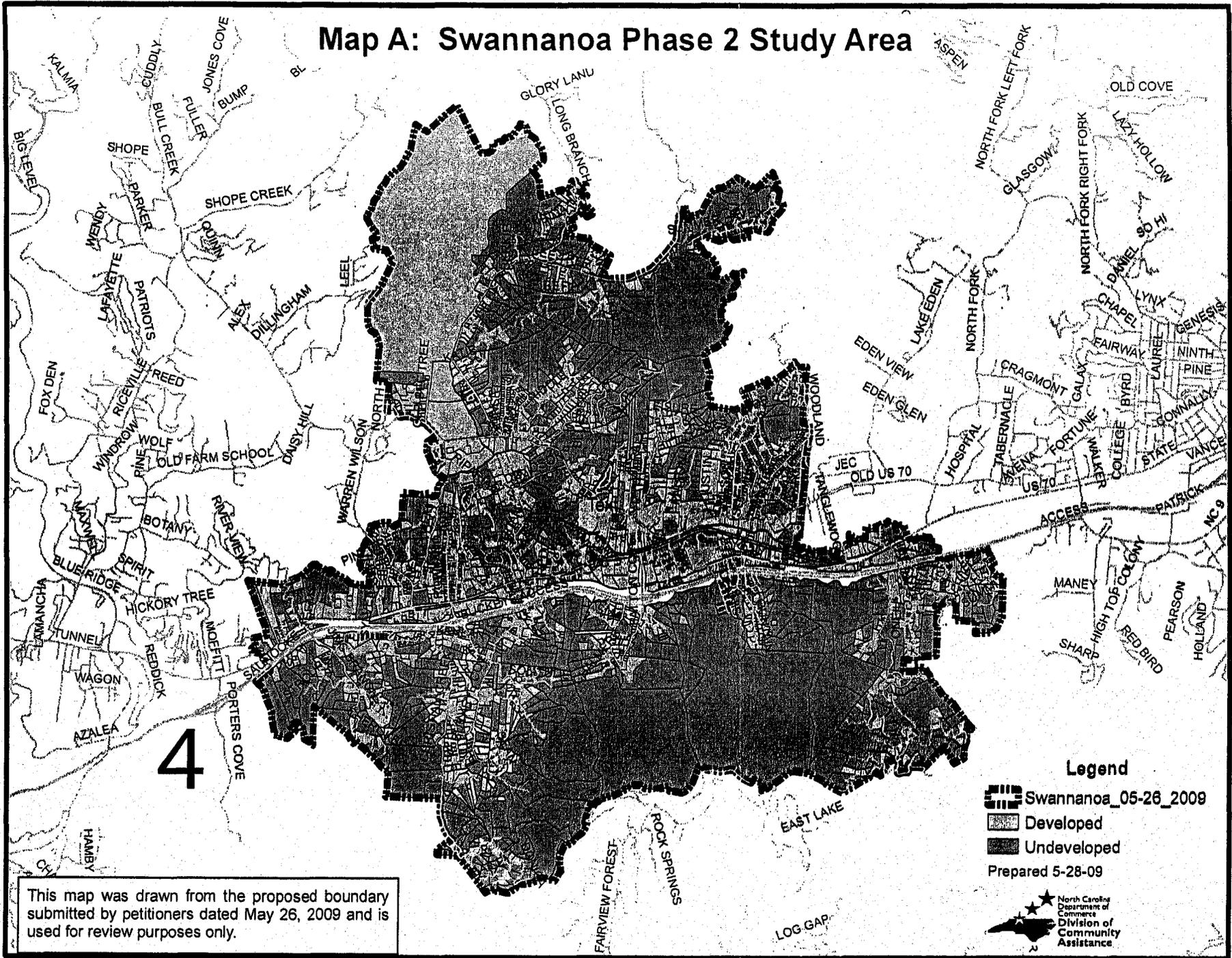
Conclusion

It appears that the proposed Town of Swannanoa satisfies the requirements of G.S. 120-167 through 120-170.

Information sources:

Petition for Incorporation of the Town of Swannanoa
2000 US Census (referenced 04/09), <http://www.census.gov/>
Buncombe County GIS Department, Parcel Data and Assessment Data
North Carolina Office of State Treasurer (referenced 04/09)
http://www.treasurer.state.nc.us/lgc/units/D_NC.htm

Map A: Swannanoa Phase 2 Study Area



Legend

-  Swannanoa_05-26_2009
 -  Developed
 -  Undeveloped
- Prepared 5-28-09



This map was drawn from the proposed boundary submitted by petitioners dated May 26, 2009 and is used for review purposes only.

Financial Comparison of Municipalities Incorporated from 2000 to 2006 (FYE 2008)

Municipality	Swannanoa (1)	Ossipee	Midland	Duck	Mills River	Misenheimer	Red Cross	Wallburg	Midway	Fairview (5)	Eastover
County	Buncombe	Alamance	Cabarrus	Dare	Henderson	Stanly	Stanly	Davidson	Davidson	Union	
Date of Incorp.		12/9/2002	11/7/2000	5/1/2002	6/24/2003	6/26/2003	8/1/2002	6/29/2004	6/29/2006	1/15/2002	
Pop. 11/17/2008 (2)	8,667	452	3,121	507	6,334	677	772	2,918	4,457	4,853	
Tax Rate per \$100 (3)	\$ 0.170	\$ 0.075	\$ 0.140	\$ 0.115	\$ 0.075	\$ 0.220	\$ 0.160	\$ 0.050	\$ 0.050	\$ 0.020	
2008 Revenues (3)											No data available
Ad valorem	\$ 1,322,939	\$ 31,170	\$ 404,522	\$ 1,522,929	\$ 614,932	\$ 21,873	\$ 66,890	\$ 118,127	\$ -	\$ 63,714	
Local Sales Tax		\$ 90,563	\$ 148,855	\$ 645,799	\$ 1,326,205	\$ 111,880	\$ 118,498	\$ 511,058	\$ -	\$ 23,264	
Solid Waste fees		\$ 15,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Street lighting											
Planning/Zoning Fees											
Utility Franchise		\$ 17,356	\$ 115,976	\$ 156,748	\$ 338,905	\$ 21,548	\$ 16,832	\$ 89,673	\$ -	\$ 133,712	
Powell Bill		\$ -	\$ 78,478	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Water/Sewer Fees		\$ 71,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Beer & Wine		\$ 2,109	\$ -	\$ 2,253	\$ 11,574	\$ -	\$ -	\$ -	\$ -	\$ -	
Other		\$ 7,148	\$ 823,293	\$ 1,576,837	\$ 182,294	\$ 299,066	\$ 5,316	\$ 112,181	\$ -	\$ 41,108	
Total 2005 Revenue	\$ 1,322,939	\$ 234,840	\$ 1,571,124	\$ 3,904,566	\$ 2,473,910	\$ 454,367	\$ 207,536	\$ 831,039	\$ -	\$ 261,798	
Per capita revenue	\$ 153	\$ 520	\$ 503	\$ 7,701	\$ 391	\$ 671	\$ 269	\$ 285	\$ -	\$ 54	#DIV/0!
2009 Expenditures (4)											No data available
General Govt.		\$ 63,255	\$ 843,844	\$ 404,130	\$ 3,489,133	\$ 112,425	\$ 12,554	\$ 89,701	\$ -	\$ 86,160	
Police	\$ 175,000	\$ -	\$ -	\$ 523,752	\$ 78,598	\$ 250,346	\$ 11,220	\$ -	\$ -	\$ -	
Fire	\$ 988,403	\$ 22,303	\$ 153,885	\$ 486,349	\$ 545,320	\$ -	\$ 23,280	\$ -	\$ -	\$ -	
Water		\$ 60,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Solid Waste		\$ 36,265	\$ 155,050	\$ 742,498	\$ -	\$ 14,915	\$ 32,333	\$ -	\$ -	\$ -	
Street Maintenance	\$ 151,226	\$ -	\$ 2,400	\$ 102,147	\$ 5,482	\$ 2,221	\$ -	\$ -	\$ -	\$ -	
Street Construction		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Street Lighting	\$ 8,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Zoning		\$ -	\$ 11,000	\$ 180,819	\$ 2,848	\$ -	\$ 4,196	\$ 12,000	\$ -	\$ -	
Other		\$ 11,176	\$ -	\$ 727,440	\$ 24,921	\$ 17,817	\$ -	\$ 314,482	\$ -	\$ 5,000	
Total 2005 Expenditures	\$ 1,322,929	\$ 193,646	\$ 1,166,179	\$ 3,167,135	\$ 4,146,302	\$ 397,724	\$ 83,583	\$ 416,183	\$ -	\$ 91,160	\$ -
Per capita expenditures	\$ 153	\$ 428	\$ 374	\$ 6,247	\$ 655	\$ 587	\$ 108	\$ 143	\$ -	\$ 19	#DIV/0!

Sources:

- (1) Data on Leicester is based on information provided in petition
- (2) Office of State Planning: Population Estimates for July, 2005
- (3) NC Revenue Department: FYE 2004-05 Tax Rates Publication
- (4) NC Treasury Department: Municipal Annual Financial Information Summary Report for FYE 2005
- (5) Fiscal Year 2007

Note: Data Compiled by NC Division of Community Assistance on January 8, 2007 based on most recent data available from identified sources

1. Sales Tax Revenue Change

Buncombe County distributes sales tax revenues on an ad valorem basis. This analysis uses the 2007-08 actual sales tax distribution to show how the distribution would have changed had the town of Swannanoa been incorporated at that time.

Current					
County	Municipalities	Property Taxes	Ad Valorem %	Sales Tax Distribution	
Buncombe		\$161,540,559	75.83%	\$62,959,716	
	Asheville	42,268,300	19.84%	16,473,530	
	Biltmore Forest	2,134,572	1.00%	831,933	
	Black Mountain	2,794,784	1.31%	1,089,246	
	Montreat	844,779	0.40%	329,246	
	Weaverville	2,416,868	1.13%	942,066	
	Woodfin	1,022,295	0.48%	398,464	
	TOTAL	\$213,022,157		\$83,024,202	
With Incorporation					
County	Municipalities	Property Taxes	Ad Valorem %	Sales Tax Distribution	Change
Buncombe		\$161,540,559	75.36%	\$62,570,952	(388,765)
	Asheville	42,268,300	19.72%	16,372,159	(101,371)
	Biltmore Forest	2,134,572	1.00%	826,803	(5,130)
	Black Mountain	2,794,784	1.30%	1,082,529	(6,717)
	Montreat	844,779	0.39%	327,216	(2,030)
	Weaverville	2,416,868	1.13%	936,147	(5,919)
	Woodfin	1,022,295	0.48%	395,975	(2,490)
	Swannanoa	1,322,929	0.62%	512,422	512,422
	TOTAL	\$214,345,086		\$83,024,202	

2. Powell Bill Allocation Change

Annual state street aid (Powell Bill) allocations are made to incorporated municipalities which establish their eligibility and qualify as provided by G.S. 136-41.1 through 136-41.3. The total amount allocated is seventy-five percent (75%) on the basis of relative population and twenty-five percent (25%) on the basis of relative non-State System local street mileage.

For 2007-08, population-based allocations assumed a statewide qualifying municipal population of 4,881,672 and available funds of \$108,800,679. This created a per capita distribution rate of \$22.29.

Adding the population of the proposed town of Swannanoa to the statewide total creates a new population of 4,890,339 and a new per capita distribution rate of \$22.25. The rate change is too small to have a significant impact on the Powell Bill distributions to other Buncombe County municipalities.

The attached report from the Department of Revenue estimates that the town of Swannanoa would receive \$250,000 in Powell Bill funds based on population. The town

plans to maintain streets locally; therefore, an additional allocation based on street miles is included in the amount.

3. Other Revenues

Municipalities receive an amount equal to approximately 3.09% of the gross receipts resulting from the sale of power and light within the respective municipality. In addition, municipalities receive a portion of the telecommunications sales tax and the piped natural gas tax. Municipalities receive a share of the excise tax on beer and wine if they hold a referendum approving the sale of beer and wine within the corporate limits.

The Department of Revenue has estimated the amount of revenue that the town of Swannanoa would have received in FY 2008-09 from each of these taxes. This information is included in the attached report.

Prepared by:
Brian Slivka, Fiscal Research Division
July 1, 2009

AD VALOREM COUNTIES, 2008-09

Swannanoa (Buncombe County)

POC: Brian Slivka, FRD, NCGA

Total
\$1,343,000

Total Taxable Property Valuation	\$ 819,151,374
Proposed Property Tax Rate per \$100 valuation	0.17
Estimated Property Tax Levy	\$1,392,557
Estimated Permanent Resident Population	8,667
Roads - Locally Maintained	<u>35.0</u>

Pro Forma Revenue, Fiscal Year 2008-09

1. Sales & Use *	\$488,000
2. Electric Power Franchise * #	\$312,000
3. Beer & Wine	\$39,000
4. Piped Natural Gas Excise #	\$26,000
5. Telecommunications Sales *	\$123,000
6. Powell Bill *	\$250,000
7 Video Programming*	<u>\$105,000</u>
TOTAL	\$1,343,000

* Items 1, 2, 5, 6, and 7 require a minimum tax rate of \$0.05 per \$100 valuation.

The electric power franchise tax distribution is equal to 3.09% of the gross receipts from the sale, within the corporate limits of the municipality, of electricity. The piped natural gas tax distribution to a municipality is one-half of the amount of tax attributable to that municipality.

THIS DOCUMENT REPRESENTS A PUBLIC RECORD WHICH MAY BE DISTRIBUTED TO ANYONE REQUESTING IT.

